BEFORE THE
FEDERAL AVIATION ADMINISTRATION
ASSOCIATE ADMINISTRATOR FOR AIRPORTS, ARP-1
WASHINGTON, D.C.

In the matter of: **THE PRIVATIZATION OF NEW ORLEANS LAKEFRONT AIRPORT** **Final Application of** **THE BOARD OF COMMISSIONERS OF THE ORLEANS LEVEE DISTRICT** **and** **AMERICAN AIRPORTS LAKEFRONT, L.L.C.** **for exemptions pursuant to 49 U.S.C. § 47134**	)

FAA-2003-14246

RESPONSES TO FAA STAFF QUESTIONS ON THE NEW ORLEANS LAKEFRONT FINAL APPLICATION

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September 27, 2002

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RESPONSES TO FAA STAFF QUESTIONS ON THE NEW ORLEANS LAKEFRONT FINAL APPLICATION

I. Parties to the Transaction

II. Airport Property

1. **Lease Agreement, page 80, Existing Agreements.** The final application indicates that the Louisiana Air National Guard (LANG) lease agreement will be assigned to American Airports Lakefront (AAL). Does the lease agreement permit assignment without agreement of the LANG? If so, has the LANG agreed to the assignment? Please provide a copy of the current LANG agreement.

Response: The lease agreement with LANG does not prohibit assignment of the lessor's rights under the lease without the consent or agreement of the lessee, LANG. Accordingly, under applicable law, this lease may be assigned by the lessor, Orleans Levee District (OLD), without the approval of the lessee, LANG. A copy of the lease agreement with LANG is attached. (Exhibit "E")

2. **Lease Agreement, page 126, Subleased Offices and Other Facilities.** There appears to be a number of facilities on Airport property whose primary purpose is to support the Orleans Levee District and its flood protection program. Please identify these facilities and other facilities that will be jointly used by the District and private operator.

Response: While the Orleans Levee District currently makes use of certain facilities on the Airport, there are no such facilities whose "primary purpose" is to support the Orleans Levee District and its flood protection program. Since the Airport was opened in 1934, the Orleans Levee District has occupied space ("facilities") for its administrative offices in the Administration Building on the Airport. The OLD leases this space from the Airport. These "facilities" leased by the OLD are identified on Exhibit "K" to the lease agreement. These "facilities" will not be jointly used by the OLD and private operator after the commencement date of the lease agreement. Rather, the OLD will sublease these "facilities" located in the Administration Building for a term of three (3) years under the conditions set forth in Article 35 of the lease agreement. The terms of the sublease and their relation to the requested exemption are discussed further in Response #17.

3. **Final Application, page 18, Airport Property.** The Airport Layout Plan (ALP) that was submitted with the final application does not indicate FAA approval. Please indicate the current status of the ALP.

Response: The Airport Layout Plan was approved by the FAA on 01/14/1997.

III. Terms of Transfer

4. **Final Application, page 34, Lease Payment Structure.** The lease payment structure was determined by providing the private operator with adequate funds to cover Airport operational expenses and capital reserves, before payments are made to the public sponsor. What are the private operator's projections for capital reserve and profit for each of the first 5 years?

Response: The table below provides AAL's 5-year estimated start-up investment and ongoing investment in the Airport, which includes equipment purchases, and tenant and capital improvements to the property. Included in these figures is a capital reserve equal to a minimum of 2% of gross income to compensate for the depreciation of the property. This Capital Reserve will be adjusted annually by AAL and can reach up to 15% of gross income. Also shown is AAL's share of the CIPs as submitted in the original application. The estimated profit may vary significantly based on actual future activity at the Airport.

Year	1	2	3	4	5
Capital Investment	$973,000	$55,000	$240,000	$393,000	$208,000
Capital Reserves @ 2%	$47000	$51,000	$73,000	$85,000	$100,000
Lessee Share – CIP Plan	$208,000	$368,000	$0	$338,000	$4,076,000
Total	$1,228,000	$474,000	$313,000	$819,500	$4,384,000
Profit (rounded)	($82,000)	$56,000	$1,007,000	$1,077,000	$1,458,000

See also, Exhibit "B" for detailed pro forma financial information and income assumptions.

5. **Final Application.** Throughout the application, the private operator makes reference to a business plan, pro forma statements, and a traffic forecast. These documents were not included in the application. Please provide a copy of AAL's business plan, pro forma and traffic forecast that supports the viability of the Airport over the lease period.

Response: The original business plan was submitted on November 30, 2000 in response to the original RFP for the operation and development of

the New Orleans Lakefront Airport. The relevant business plan portion of the RFP response is attached as Exhibit "A". The document covers the material aspects of the operation, maintenance, marketing and development of the New Orleans Lakefront Airport. Since that time, AAL has re-evaluated and updated certain revenue and income assumptions of the business plan and pro forma financials. Thus, Exhibit "A" provides a useful summary of the business plan, including AAL's Mission Statement, marketing plans, and short-term and long-term business development and property development plans; whereas, Exhibit "B" provides AAL's current pro forma for the first 10 years, as well as the relevant income assumptions.

AAL's focus will be to increase revenues through development of the following:

- Charter Flights
- Business Aviation – Corporate Flight Departments
- Aviation Maintenance and Service Industry
- Small Package Freight
- Better service to NOLA's existing and itinerant customer base–broader range of services, better quality services–with no increase in the cost to GA customers.

Lakefront Airport has many available sites for development, and opportunities for the redevelopment and upgrading of existing properties. Through aggressive marketing and application of standard rates Airport-wide, which the OLD has already adopted, the private operator will attract new tenants and businesses to the Airport.

The opportunity exists for Lakefront to significantly increase revenues without a major increase in the number of flight operations. One means is by achieving even a marginal increase in the number of high return charters serving the New Orleans tourism, gaming and convention industries. The financial benefit of such charters, as compared to general corporate traffic, is significant. Thus, as AAL's pro forma shows, successful cultivation of this segment of the market can produce a major increase in revenues.

NOLA is already the preferred airport for private business and leisure aircraft, given NOLA's inherent advantages in terms of access to the Central Business District, French Quarter, Superdome, and other local attractions. In terms of distance, NEW is about one-half the distance to these key downtown locations compared to MSY. Moreover, the interstate approaches into New

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September 27, 2002

IAA-03-14246-17

Ms. Woodie Woodward
Associate Administrator for Airports
Federal Aviation Administration
Room 600E
800 Independence Avenue, S.W.
Washington, DC 20591

Re: Responses to FAA Staff Questions on the New Orleans Lakefront Final Application

Dear Ms. Woodward:

We are pleased to submit the enclosed joint response of the Orleans Levee District and American Airports Lakefront, L.L.C. to FAA staff questions on the New Orleans Lakefront privatization application. We trust that you will find the responses to be full and complete, but please do not hesitate to contact us if you have any further questions.

Sincerely,

J. E. Murdock III
Alexander Van der Bellen
Counsel for the Joint Applicants

Enclosures

cc: David Bennett
Kevin Willis
James P. Huey
Robert A. Clifford
Gerald G. Metzger
Scott Fuller

Orleans from the West are notoriously congested, especially during rush hour and peak events.

NOLA is an important, under-utilized alternative airport with tremendous potential that can be realized by a private operator with the financial resources and marketing savvy to develop it. These are the keys to privatization and AAL intends to utilize its inherent advantages as a risk-taking, well financed and agile private entity. AAL intends to capture the currently visible opportunities (such as charters), but also will remain vigilant for the unforeseeable changes in the market that will be of advantage to the community and the private operator. With appropriate marketing, AAL can and will attract lucrative new charter business. For example, neighboring Biloxi, Mississippi has made air service a priority to support its burgeoning gaming industry, and has substantially increased charter activity as a result.

During the 50-year term of the lease, NOLA will become an increasingly important regional complement to MSY, New Orleans' primary scheduled service airport. As illustrated by the success of Sanford Orlando Airport, there can be significant demand for a well run charter service airport, even with a major scheduled service facility operating nearby.

AAL plans to upgrade and modernize facilities at NOLA in order to realize the Airport's full potential and turn the Airport into an attractive, world-class facility. For example, the current terminal building has become old and inefficient. While the current facility could operate for some time, AAL has made its replacement a priority. Although not strictly necessary to achieve AAL's business projections, the proposed new terminal would provide significantly greater passenger satisfaction and amenities, enhanced security, and optimize the total travel experience though better integration of flights, passenger handling facilities, rental cars, concessions, parking, and other landside functions.

In sum, New Orleans Lakefront Airport is an ideal facility for accommodating new charters to/from New Orleans, as well as its established GA/business aircraft. NOLA's proximity to the downtown area, lower costs of operation, and ease of ingress and egress are important natural advantages. The private operator intends to aggressively market NOLA with charter operators, and local area hotel, chamber, and service organizations.

General Aviation

It is important to underscore that maintaining and enhancing NOLA's existing business as the City's primary General Aviation airport is a central feature of AAL's plans for the Airport. NOLA's popularity with General Aviation users is demonstrated by the frequency with which organizations such as the Aircraft Owners and Pilots Association (AOPA) and the National Business Aircraft Association (NBAA) plan their national conventions in New Orleans and utilize Lakefront Airport.

A well-run, well-maintained airport is critical to attracting top quality FBOs and specialty service providers. There is ample space on the Airport to develop property and expand services such as maintenance and avionics repair, paint shops, interior refurbishment, and aviation vocational technical training programs.

Forecasted Operations and Passenger Counts

AAL's forecast is predicated on the Boeing 737-300 as the critical design aircraft, which the airport is fully capable of accommodating. The load factors used are 80% for charter, and 65% for scheduled charter operations. Scheduled charter is defined as serving a particular destination on a regular basis. Pro forma numbers also include small regional service.

AAL used the FAA terminal forecasts dated March 1998 for developing future projections in lieu of the more aggressive forecasts of the NOLA's current airport master plan. AAL's traffic assumes minor growth until Year 4, when the marketing efforts during Years 1-3 yield additional charter activity. By AAL's 4th year of management, annual charter operations of 737-type aircraft are expected to be 700, and should grow to 2,808 by Year 7. At this point, growth is expected to flatten.

The most recent record of air taxi/air carrier activity at Lakefront Airport was 6,195 operations for the year 2001.

AAL's traffic forecast is attached as Exhibit "C".

Pro Forma

AAL's ten-year pro forma is included as Exhibit "B". The major highlights of AAL's revenue assumptions are as follows:

- Current market lease rates:
  - Hangar/office properties: $6.00 per square foot per year
  - Ground lease rates: $.35 per square foot per year
  - Office Lease Rates: $10.00 per square foot per year
  - All leases are subject to an annual CPI increase unless otherwise negotiated
  - The fair market value for new leases increases by 5% per year
- All existing leases are per their terms and conditions without change.
- AAL will upgrade and lease out approximately 7,000 square feet of new space in the terminal building over the first two years.
- AAL will upgrade and lease out the Delgado Hangar within the first year.
- AAL will upgrade and lease out the old FAA building over a two-year period.
- AAL will upgrade and lease out the Harbor Master Building over a two-year period.
- AAL will create a development plan for all of the vacant land and begin developing that land or leasing it to users for their own development. AAL expects to lease an average of three acres per year beginning in Year 2 at the above posted rates.
- AAL assumed that fuel volumes would increase by 60,000 gallons per year for each three acres of new development (of special note here, current year fuel volumes are 1,000,000 gallons over previous year's average, representing a 25% increase in one year)
- Charter traffic forecasts are revised to the following:
  - Regular Charter Operations will not begin until Year 3
  - Year 3 is at 25% of the stabilized forecast
  - Year 4 is at 50% of the stabilized forecast
  - Year 5 is at 75% of the stabilized forecast
- Landing fees, increased fuel volumes, concessions, ramp and gate charges are discussed in Exhibit "B".
- Under the forecast projections, AAL expects to generate an additional $473,000 in concession revenue.

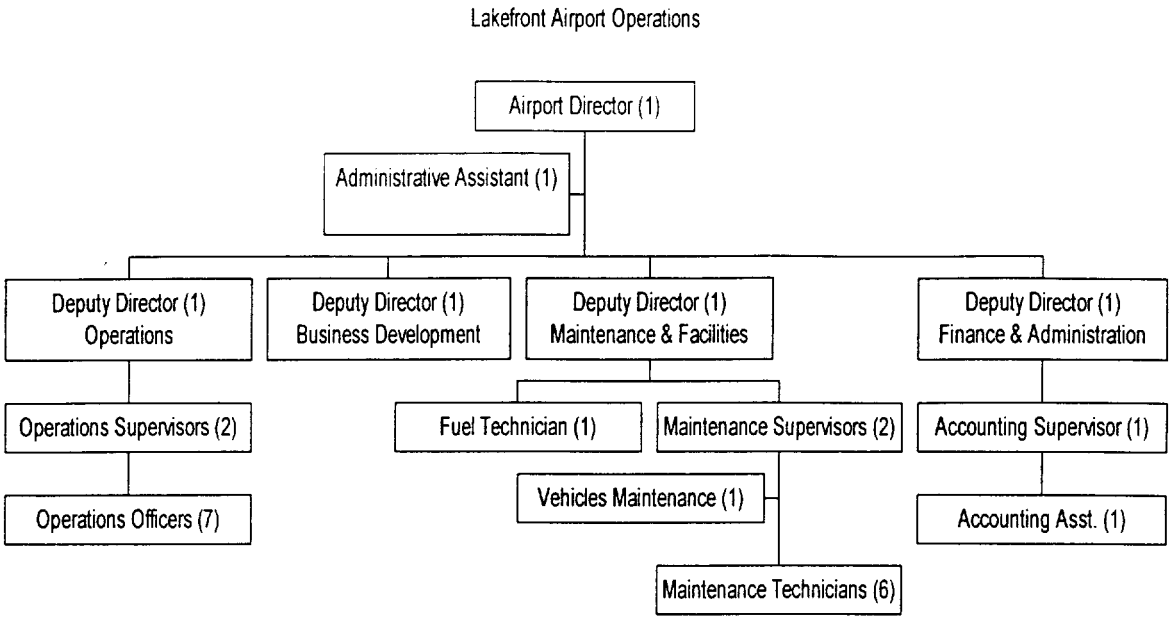
The business plan and profit projections do not anticipate any material rate increases to the users.

Response: The Letter of Credit is an irrevocable standby Letter of Credit expected to be issued by US Bank (the "Bank"). Therefore, the source is one of the largest banks in the United States who has performed due diligence on American Airports and determined that there is sufficient collateral to issue a Letter of Credit guaranteed by American Airports. The public sponsor will physically hold the Letter of Credit, which must be issued in accordance with the terms of Article 38 of the lease, and will return it to the Bank when they are ready to cancel it. In the event of termination by the private operator under lease Article 2.5, the Letter of Credit would not be available to the public sponsor, since this is not an event of default under the lease agreement.

IV. Qualifications of Private Operator

9. **Final Application.** The private operator has provided information on its constituent members, its interim airport director, and transition team. Please provide information on the proposed management structure to integrate operational functions.

Response: During the first 90 days of the transition, Scott Fuller will be actively involved in the smooth transition of the Airport to AAL management. Over the past 5 years, Mr. Fuller played an integral role in the transition of 9 airports in 4 states to new private management. Furthermore, in June of 2002, Mr. Fuller assisted in re-opening Midway Island to full 139 compliance within 24 hours of American Airports' arrival at Midway Island. The anticipated organization chart for Lakefront Airport is shown on the following page. Many of the current staff will transition directly to AAL, helping to ensure an easy transition and seamless operation.



10. **Final Application, page 44.** The private operator proposes to capitalize American Airports Lakefront, LLC at $750,000 to support start-up and transition costs, and to provide a working capital balance. Please explain how the capitalization of $750,000 is sufficient to support the company's initial operating expenses.

Response: AAL has independently determined to increase its initial capitalization from $750,000 to $840,000. As demonstrated below, this capitalization is sufficient to meet all reasonably anticipated start-up expenses:

Type of Expense	Amount
Due Diligence	$172,250
Initial Capital Improvements	$ 91,000
Equipment	$ 24,000
Working Capital	$525,500
TOTAL	$839,750

The working capital portion of AAL's start-up expenses will cover all deposits, supply purchases, transition, screening, employee training, licenses and permits, and operational capital. Although the initial start-up capitalization is clearly sufficient, the private operator will also have access to additional working capital by virtue of a provision in the LLC agreement requiring that each partner shall provide additional capital as needed. American Airports Corporation, the largest LLC partner, would be the primary source for any such additional funding.

11. **Lease Agreement, Articles 10 and 15.** The lease references a continuing role for the Orleans Levee Board as public sponsor for the application and receipt of Airport Improvement Program grant funds. While the Board continues to be obligated for certain assurances, the Airport Privatization Pilot Program assumes that AAL will become the airport sponsor and the FAA's primary contact for the receipt of Federal financial assistance. Please clarify the purpose of these provisions.

Response: The private operator and public sponsor understand that the Airport Privatization Pilot Program assumes that the private operator will become the "airport sponsor" and the FAA's primary contact for the receipt of federal financial assistance; we believe that the terms of the lease contemplate the same result. Nonetheless, the Orleans Levee Board has retained a continuing role in connection with the application for Airport Improvement Program grant funds. Accordingly, under Section 22.3 of the lease, AAL, as private operator, agrees and acknowledges that the OLD, as public sponsor, shall retain under its control "final assurance of FAA/AIP Regulatory and Grant Assurance Compliance." The OLD affirmatively intended, through this type of provision, to remain involved in AIP decisions, to be aware of the projects involved, and to insure compliance with all regulatory requirements; further, this and the other provisions discussed below were included in the lease in recognition of the residual obligations of the OLD, in the event it had to assume obligations as the operator of the Airport and the airport sponsor, relative to federal financial assistance, e.g., in the event of a default by AAL and termination of the lease.

Rather than being a cause for concern, the continuing ancillary and supporting role of the Board will provide additional safeguards to ensure that the Airport is developed over the term of the lease in a manner consistent with maximum public use and benefit.

Under Section 7.5 of the lease, the private operator (AAL) "shall **lead** all efforts, at its sole cost" to obtain state and federal funds and the public sponsor (OLD) agrees to use its best efforts to **assist** the private operator (emphasis added). Thus, as contemplated by the pilot privatization program, AAL will be the FAA's "primary contact" for the receipt of federal assistance and will be directly responsible to the FAA for compliance with the Assurances and other FAA requirements.

Further, to the extent that the law permits only the OLD (public sponsor) to act as a sponsor in connection with Federal and State grants for Airport development, the OLD also has agreed under the lease to use its best efforts and any such grant application as

required to "recognize" the unique relationship between the OLD and AAL. See Section 10.6. Under Section 10.7, AAL (as private operator) shall be considered by the FAA as a "resident agent" of public sponsor (OLD) for purposes of conforming to the Assurances; and, the OLD reserves the right to insure that the Premises will be operated and maintained, *inter alia*, in accordance with the Assurances and Agreements with the FAA. In addition, as between the OLD and AAL, AAL has responsibility for compliance with Assurances; and, where the OLD must provide Assurances, AAL is responsible for compliance therewith to the extent that AAL can reasonably control such compliance with any such Assurance. See Section 10.7.

Under Article 15, the parties agree to cooperate and diligently work together in applications and requests for Airport aid, and the private operator is primarily responsible for providing and filing such applications. AAL is obligated to be aware of and anticipate FAA funding deadlines and requirements, and obligated to submit requests to the OLD with adequate lead time for the OLD to perform any necessary services in connection with such applications. See Section 15.1.

The Parties intend that AAL be the direct recipient of federal AIP funds. AAL obligates itself to use any funds acquired from Governmental Authorities for the use intended, and in compliance with, all Federal or State Regulations and Assurances; and assumes all of the terms and conditions of FAA and State Grant Agreements and Assurances. AAL also agrees to promptly comply with, at its expense, any orders or regulations respecting the performance of the OLD as public sponsor, or AAL as private operator, with respect to obligations relating to Federal or State Grant Funding. See Section 15.2. This particular provision is similar to the obligations of the Tenant under the lease agreement for Stewart International Airport, which was approved for participation under the Pilot Program by the FAA. *See*, Agreement of Lease between The State of New York and SWF Airport Acquisition, Inc., Article 11, Section 11.02.

Therefore, in summary, although the OLD will have a continuing role in the application for Airport Improvement Program grant funds, AAL as "resident agent" will act as the airport sponsor and the FAA's primary contact regarding the receipt of federal financial assistance.

12. **Final Application, page 35, Request for Confidentiality.** Does AAL request that confidentiality extend to the airport financial report program [section 111 of the Federal Aviation Administration Authorization Act of 1994 (P.L. 103-

305) Title 49 U.S.C. §47107(a)(15)]? The 49 U.S.C. 47134(b) exemptions do not provide for such exemptions, and the FAA has not extended the exemption to other private operators.

Response: AAL will comply with this statutory provision and does not intend that AAL's confidentiality request extend to the airport financial report program.

13. **Final Application, page 46.** The application indicates that United Professionals Company, LLC (UPC), the minority partner, has no material assets or liabilities because it is funded from other entities. Yet, UPC is required to provide 10% of the initial capitalization and 20% of the funds required for operation and development of the Airport. It appears that it is relying on other entities to provide those funds. Please identify the other entities, and provide 10K annual reports or balance and income statements prepared in accordance with Generally Accepted Accounting Principles, with footnotes, if applicable.

Response: UPC requests that the financial information being provided in this response be protected and held confidential, pursuant to the provision of the 49 U.S.C. 47134(b) exemptions, and hereby incorporated by reference the request for confidentiality and supporting FOIA exemption precedents contained in the April 23, 2002 Final Application. The supporting financial documents are being submitted in a separate sealed envelope marked "Confidential Treatment Requested."

REDACTED

REDACTED

14. **Final Application, Exhibit I, Sale of Property.** American Airports Corporation and Affiliates financial statements identify income from a property sale for . Since the sale represents a significant amount of American Airports Corporation and Affiliates cash and net equity, what was sold? What are the plans for the cash and equity? Will the disposition of funds have any impact on maintaining the letter of credit or the funding of AAL operations or capital projects? What is the impact on future financial statements?

Response: AAC sold an office building. The plans for the cash would be for future expansion and reinvestment into the company. This would be reflected in future financial statements. There will be no impact on the letter of credit, AAL operations or capital projects. AAC will maintain cash balances to satisfy the Letter of Credit Bank and its obligations under the lease.

15. **Final Application, Exhibit I, Total Assets.** American Airports Corporation and Affiliates balance sheet as of August 31, 2001 reports total assets of , while the supporting columnar balance sheet reports total assets of . Why is there a difference between the balance sheet and supporting documents?

Response: The supporting document is an earlier worksheet. AAC and Affiliates balance sheet nets out an intercompany receivable for , with intercompany liabilities totaling . As a result, the assets of AAC and Affiliates were reduced by as well as the liabilities, when compared to the worksheet.

REDACTED REDACTED REDACTED

V. Requests for Exemption.

16. **Final Application.** The request for exemptions must be more specific. The description should identify lease proceeds amounts as well as funds in existing Airport accounts that would be transferred. The application indicates that no surplus property exists, yet the application is requesting an exemption from the surplus property provisions. Please clarify.

Response: The applicant's request for exemptions were modeled after the similar exemption requests the FAA approved in the *Stewart* decision, and were worded broadly, so as to remove any unnecessary uncertainty in this transaction,[1] which is best categorized as a net lease of the entire Airport. Nonetheless, to the

[1] Because the Airport Lease does not involve any premises acquired through Surplus Property Act grants, the applicants will not require a Surplus Property Act exemption, if the FAA elects to proceed though more narrowly tailored relief measures than proposed in the Final Application.

extent FAA may deem it necessary to issue a more narrowly defined exemption, the applicants require, at minimum, an exemption covering the following lease proceeds and other consideration:

A. Rent. The Rent during the first, second and third Lease Years shall be the sum of $300,000 per annum payable in quarterly payments, in advance, with the first quarterly payments due on the Commencement Date, and thereafter by no later than the first day of each quarter. Commencing in the fourth Lease Year and annually thereafter throughout the Term of the Agreement, the Rent shall be the greater of (A) $300,000 (the "Guaranteed Annual Rent"), or (B) a sum equal to (1) 11% of the annual gross income not in excess of $3,000,000 (the "Gross Income Baseline"), plus (2) 30% of the annual gross income in excess of $3,000,000 (the "Percentage Rent"). The Guaranteed Annual Rent and the Gross Income Baseline shall be adjusted for Inflation commencing with the fifth Lease Year and each year thereafter during the remaining Term of the Agreement.

Commencing in the fourth Lease Year and thereafter through the Term of the Agreement, the Guaranteed Annual Rent shall be payable in four (4) equal quarterly payments, in advance, and by no later than the first day of each quarter. The Percentage Rent, if any, commencing in the fourth Lease Year and thereafter throughout the Term of the Agreement, shall be determined with respect to Gross Income during the preceding Lease Year and paid annually within forty-five (45) days after the last day of each Lease Year (Agreement, Sections 5.2-5.6).

B. Additional Consideration. As discussed in further detail in Question 17 below, OLD is also requesting an exemption for approximately $148,090 in annual rent abatement for OLD's use of certain office and storage space in the Administration Building and Harbormaster Building during the first three years of the Lease.

C. Existing Accounts. There will be no transfer of any funds in the existing Airport Account by the Airport to the Orleans Levee District's General Fund on the effective date of the lease. Please see attached Balance Sheet for the New Orleans Lakefront Airport dated on June 20, 2001, which reflects that NOLA is indebted to the Orleans Levee District in the amount of $13,843,798.00 and has a retained earnings deficit of $24,569,881.00.

Additionally, as explained in Question 6, *supra*, all equipment and personal property located on the Airport, whether acquired with Airport revenue and/or federal financial assistance, will be transferred for use by the private operator.

17. **Final Application, page 48, Use of Proceeds.** Public sponsor requests a release from 49 U.S.C. 47107(b) and 47133, as well as Grant Assurances, Surplus Property Act obligations, and any other law or regulation to the extent necessary to permit public sponsor to use the proceeds of the agreement for general fund purposes. As an additional consideration for the lease, the public sponsor requires the private operator to provide it free rental facilities and two parking lots, and to maintain public roadways. Unless the FAA grants the public sponsor exemption for such use under 49 U.S.C. 47134(b), such use could constitute unlawful revenue diversion. If the public sponsor intends to request an exemption, the public sponsor must specifically detail all revenue and property for which it seeks exemption. An appraisal must be performed to determine the amount of fair market rent abatement. This must be quantified for the exemption. Subleases between the public sponsor and private operator should also be submitted as part of the exemption.

Response: As discussed in Question Nos. 2 and 16, *supra*, OLD will receive rent abatement for certain office facilities on the Airport during the initial three (3) years of the Lease. Although the amounts are not insubstantial, it is important to note that they represent a *de minimus* amount of the total transaction, which contemplates a net lease of the entire Airport for a fifty (50) year term. Thus, if the public sponsor were not requesting an exemption for this additional consideration, the rental amount (for which an exemption request is also made) would merely be somewhat higher.

Because the office space on the Airport is very unique in this section of New Orleans, obtaining a comprehensive commercial real estate appraisal would be difficult, costly, and unduly burdensome. Moreover, due to the lack of true, comparable office space in the immediate area, the accuracy of such an appraisal would be dubious. Accordingly, to the extent necessary, OLD requests a waiver of the appraisal requirement.

Instead, OLD is able to provide a highly accurate estimate of the value of the rent abatement, based on the actual rates that are being paid on the Airport for the office space in question. The market rates charged are set by the Airport Director, subject to the approval of the OLD's real estate consultant, Mr. Albert Pappalardo, a certified real estate appraiser and licensed broker. Mr. Pappalardo has served in this capacity for well over a decade. The purpose of the mandatory real estate consultant review is to insure that the OLD is obtaining maximum fair market rents for its property.

Mr. Pappalardo's review is based on his assessment of market rates in the New Orleans East Area. He notes two factors in

particular bearing on rental rates for office space at the Airport: First, the property is located outside the City's flood protection zone, rendering it an unacceptably high risk for many businesses. Indeed, during Hurricane Georges, the Airport was flooded. Second, the remote location renders it unattractive for all but a few businesses, namely, those with direct ties to the Airport, the neighboring marina, or the Bally's gaming boat docked in the South Shore Harbor.

Finally, the rent abatement to OLD by AAL is itself the best evidence of "fair market value." OLD, as a willing lessee, and AAL, as a willing lessor, have negotiated at arms length and agreed to a price that is fully consistent with current market rates.

Harbormaster Building. The current fair market rental value for office space in the Harbormaster Building is $9.00 per square foot. This is confirmed by a recent, arms-length lease transaction, effective January 1, 2002, by a private boat dealer seeking office space adjacent to the marina. Mr. Pappalardo notes that the $9.00 per square foot rate is the highest rental rate ever achieved for the Harbormaster Building, the previous greatest amount being $6.60 per square foot. Thus, the annual fair market rental value for the Harbormaster property to be subleased by OLD is $ 27,000 -- that is, 3,000 Sq. Feet @ $9.00 / Sq. Foot.

Administration Building. The current fair market rental value for *first floor* office space in the Administration Building is $9.00 per square foot. The space is similar to the Harbormaster Building and is also a confirmed lease rate, effective January 1, 2002, with Bally's Casino, which leases office space for the Personnel Department of their neighboring casino. However, the space to be subleased by OLD is located on the second and third floors of the Administration Building. Mr. Pappalardo has determined that an adjustment factor must be applied to the upper floors. This space is less desirable, because it is generally considered "walk up" space accessed by stairwell (although the building does have a single older elevator). Mr. Pappalardo values the *second floor* office space at $7.50 per square foot, the *third floor* office space at $3.00 per square foot, and the un-air conditioned third floor *storage space* at $1.00 per square foot. Thus, the total annual fair market rental

value for the space to be subleased by OLD in the Administration Building is $121,090, summarized as follows:

Space	Rate	Sq. Feet	Amount
2nd Floor Office	$7.50	15,791	$118,433
3rd Fl. Office	$3.00	245	$ 735
3rd Fl. Storage	$1.00	1,922	$ 1,922
Total			**$121,090**

There are no parking charges assessed at the Airport for parking in any of the parking lots on the Airport. Accordingly, OLD will receive no quantifiable monetary benefit from this arrangement.

The obligation of the private operator to maintain the public roadways on the Airport is part of the general obligation of the private operator to maintain and repair the improvements on the Airport during the term of the lease agreement. This type of maintenance obligation by a lessee is typical in net commercial lease agreements, and represents additional consideration for extension of the lease by the public sponsor. The obligation of AAL to maintain the public roads on the premises does not include major repairs to the Stars & Stripes Boulevard Facilities. See Article 8, Sections 8.1 and 8.2. The obligation of AAL (as tenant) to maintain the roads on the Airport, at its expense, is substantially the same as the obligation of the Tenant for road maintenance under the lease for Stewart International Airport, which was approved for participation under the Pilot Program. *See,* Agreement of Lease between the State of New York and SWF Airport Acquisition, Inc., Article 12.

18. **Final Application, page 49, Compensation.** Private sponsor requests an exemption from the provisions of 49 U.S.C. 47107 and 47133 and any other law, regulation or Grant Assurance, to the extent necessary to earn compensation from private operator's investment and risk undertaken in operating the Airport over the term of the agreement. Since the private operator has not expressed a rate of return or set any limit to the profit for which it seeks exemption, what are the assurances that the private operator will sufficiently fund its portion of the capital improvement program? The private operator must identify its maximum expected rate of return.

Response: Depending on the activity at the Airport, the private operator estimates the return on investment to range between a minimum of 13% and a maximum of 30%. AAL's business strategy is predicated upon continual reinvestment in the Airport in order to maintain and increase returns.

Under the lease, AAL has a minimum capital reserve requirement, and in accordance with Sections 7.1 and 7.2, AAL has established a 15-year capital investment plan that calls for a total investment of approximately $91,000,000, of which the private operator shall fund up to approximately $34,000,000, based on the Airport achieving certain airport aid from Government Authorities and other factors, as described in Sections 7.1 a, b, and c.

The private operator is further obligated by the lease to use reasonable efforts to continue to invest in the Premises at a rate to develop the Airport to the degree necessary to satisfy demand for the forecasted rates of activity, in accordance with good and accepted practices for similar-sized airports. The Capital Improvement Plan is required to be updated and approved no less than every five years.

VI. Certification of Air Carrier Approval

19. Air Charter Associates, Inc. operates under a Part 298 exemption and is therefore an "air carrier" within the meaning of the FAA Act and 49 USC 47134. Please explain whether Air Charter Associates, Inc. has any use or occupancy agreement at NOLA and has at least one Part 135 aircraft based at the Airport, for the purposes of certification under Part VI of the application (see discussion on 62 FR 48700, September 16, 1997).

Response: A letter of no objection from Air Charter Associates, Inc. was submitted as an exhibit to the original application. In the event of a clerical or copying error, an additional copy is attached hereto as Exhibit "D".

VII. Airport Operation and Development

20. **Lease Agreement.** The lease requires the private operator to obtain the public sponsor's approval for all capital development. Please explain the public sponsor's approval process and associated timeline for consideration and approval of capital improvements.

Response: Under the terms of the lease agreement, no Capital Improvement Plan (CIP) may be adopted and implemented by the private operator without the written approval of the public sponsor, from which approval may not be unreasonably withheld, conditioned, or unduly delayed. Projects in the CIP will not require additional approval of the public sponsor; however, other capital improvements do require the approval of the public sponsor, from

which approval also may not be unreasonably withheld, conditioned, or delayed. Further, either in the case of a CIP or capital improvement, if public sponsor does not take action on a written request for such approval within sixty (60) days of receipt of a written request by granting or denying approval, then approval shall be deemed "given" by the public sponsor. See Article 7, Sections 7.1 and 7.2. The public sponsor's approval process consists of adoption of a resolution approving or denying such a written request at a public meeting of the Board of Commissioners of the Orleans Levee District, which, as noted above, must take place within sixty (60) days of the receipt of a written request, or, under the terms of the lease, approval will be deemed "given" by the public sponsor.

21. **Lease Agreement, page 8.** The lease agreement defines its effective date as the latest date of the following actions: (i) the FAA approves all three exemptions under the 49 U.S.C. § 47134; (ii) the FAA provides written approval of the lease; iii) the FAA issues the Part 139 airport operating certificate; (iv) the FAA approves the Capital Improvement Plan; (v) the private operator approves a cooperative endeavor agreement with the public sponsor; (vi) the Director of the State Department of Civil Service approves the layoff plan for those Orleans Levee District employees not hired by the private operator or reassigned by the public sponsor. The FAA does not approve the content of capital improvement plans as a part of the application review for participation in the Airport Privatization Pilot Program. The applicant is only required to submit a five-year capital improvement plan, and identify its source of funding and how the private operator will comply with the requirements of 49 U.S.C. § 47134 (c)(3). Please explain the State Civil Service process and the timing of the layoff plan approval. Please provide a copy of the cooperative endeavor agreement and explain its purpose.

Response: The provision in Article 7, Section 7.1 stating that as part of the application to the FAA, the FAA approval of the Capital Improvement Plan submitted by AAL is similar to provisions contained in the Agreement of Lease between the State of New York and SWF Airport Acquisition, Inc. for the Privatization of Stewart International Airport. *See*, Agreement of Lease for Stewart International Airport, Article 13, Section 13.01. It was assumed that such approval was contemplated and/or required under the Federal Airport Privatization Pilot Program Statute. 49 U.S.C. §47134.

Any layoff plan submitted by the public sponsor in connection with the privatization of NOLA will have to be approved by the Louisiana Civil Service Commission. The Commission meets on a monthly basis. The private operator will interview employees at the Airport and make certain conditional job offers to current Airport employees, subject to satisfaction of the conditions precedent for

the effectiveness and commencement of the lease agreement within the next sixty (60) days; and, once this process has been completed, the OLD will then have the information to determine if a formal layoff plan of Airport employees will be necessary. It is anticipated that once this information is available, and assuming a layoff plan will be necessary, a hearing for approval of a layoff plan before the Civil Service Commission will occur within sixty (60) days.

The cooperative endeavor agreement has not been completed. However, AAL will provide a draft agreement as soon as possible. As referenced in Response #6, the purpose of the cooperative endeavor agreement is for the OLD to grant AAL a right to use the equipment located on the Airport.

22. **Final Application, page 65, Availability of Federal Funds.** The private operator's completion of its proposed capital improvement program is premised on the availability of Federal grant funds, PFC revenues and market demand. Since the decision to fund a discretionary AIP project is dependent upon many factors, including availability of funds and the project's impact on capacity, what are the private operator's contingent plans in the event discretionary AIP funds are not available for needed aeronautical projects, such as the reconstruction of the seawall? Explain how New Orleans Lakefront Airport will be eligible for PFC collection.

Response: The Agreement of Lease does not require the private operator or public sponsor to reconstruct the seawall. The seawall has deteriorated and has been a constant issue for over twenty years. The public sponsor and private operator concur that the only possibility of repair is with the benefit of airport improvement program funds evidenced by the public sponsor's consistent application for such funds over the past couple of decades. The private operator will continue to address the situation in the same manner as the public sponsor has, through the use of available fill and rip rap, until this critical project is deservedly funded. This project has been applied for, and we are awaiting a final decision.

Projects in the CIP were scheduled in accordance with passenger and activity levels, which will, on the one hand, trigger the need for identified projects, and secondly, provide the revenue needed to fund the identified projects. If, for some reason, Lakefront is unsuccessful in maintaining industry rates or funds are not available as identified, alternate financing would be addressed based on the information and conditions present at the time.

23. **Final Application, Exhibit M, Private Operator's Proposed 5-Year Capital Improvement Plan.** The private operator's matching share for fiscal

years 03 through 06 is $913,745. Assuming that FAA and state funds are available for the listed projects, if the Airport fails to generate sufficient revenue for the private operator's share, will the private operator obtain alternative financing?

Response: Yes. The private operator is fully prepared to seek alternative forms of financing. One of the strengths that the private operator possesses is its affiliation with a local investment banking firm. The minority partner, UPC, has an affiliated broker dealer firm, Sisung Securities Corporation. AAL fully expects to draw upon the resources of SSC throughout the life of this project.

24. **Lease Agreement, page 54.** The lease requires the private operator to give the public sponsor the first right of refusal for the purchase of airport security services at the Airport. Please identify the purpose of this lease provision in the lease agreement and the type of services and costs the private operator will be expected to incur.

Response: The purpose of this provision in the lease agreement is to ensure compliance with 49 U.S.C. § 47134(c)(6) - the lease agreement must include provisions satisfactory to the Secretary to insure that safety and security at the Airport will be maintained at the highest possible level. The OLD has a public police department (OLDPD) which, *inter alia*, provides security at NOLA. The OLDPD has primary police jurisdiction relative to the leased premises under Louisiana law. The parties provide in the lease for the possible continuation of these security services at the Airport by the OLDPD through the right of first refusal for Airport security services, in favor of the OLDPD. The type of services that the OLDPD would provide, if it did provide these services under a contract with AAL, would be that necessary to satisfy the statutory requirements. The cost the private operator would incur for these services would be "commensurate with contracts for similar services provided at other similarly sized airports." *See*, Lease Agreement, Article 10, Section 10.2(c).

25. **Lease Agreement, page 77.** The lease permits the public sponsor to mortgage the airport property or impose a lien or security interest on the property. Please explain the purpose for including this provision; it appears to be contradictory to the purpose of the Airport Privatization Pilot Program.

Response: Article 14 of the lease agreement does permit the public sponsor to mortgage, or otherwise create a security interest in, its ownership (fee simple) interest in the premises, during the term of the lease, but only to the extent permitted by Louisiana law. Under Article 7, Section 14(A) of the Louisiana Constitution of 1974, the public sponsor, as a political subdivision of the State of Louisiana, is

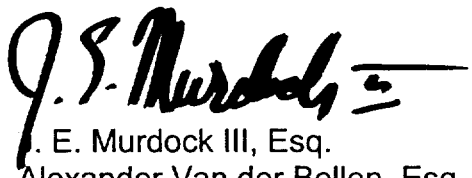
prohibited from pledging (mortgaging, etc.) its property to, or for, any person, association or corporation, public or private. Accordingly, at present under Louisiana law, the public sponsor cannot mortgage its ownership interest in the Airport. This provision was included in the lease agreement to permit same only in the event that there was an amendment in the future to the Louisiana Constitution. Moreover, even if there were in the future an amendment authorizing same, under the express provisions of Section 14.1 of the lease agreement, the public sponsor is obligated to obtain a "non-disturbance agreement" from any mortgagee or lienholder, which would protect the leasehold interest of the private operator as long as the private operator fulfilled its obligations under the lease agreement. It should be noted that the privatization lease for Stewart International Airport assumed the possibility of a leasehold mortgage by the landlord during the term of the lease through its recognition that the "Lease" would be subordinate to "all mortgages made by Landlord or a superior lessor..." See Article 28, Section 28.02.

VIII. Miscellaneous

26. **Lease Agreement, Defined Terms, bottom page 3.** There seems to be interruption in the text between pages 3 and 4.

Response: Due to a pagination error in the printing process, it appears that part of the definition of the term "Adjusted for Inflation" was inadvertently omitted in the copy provided to FAA. The complete text of this definition is provided at Exhibit F.

Respectfully Submitted,



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Counsel for the Joint Applicants

BEFORE THE
FEDERAL AVIATION ADMINISTRATION
ASSOCIATE ADMINISTRATOR FOR AIRPORTS, ARP-1
WASHINGTON, D.C.

In the matter of:
THE PRIVATIZATION OF NEW ORLEANS LAKEFRONT AIRPORT
Final Application of
THE BOARD OF COMMISSIONERS OF THE ORLEANS LEVEE DISTRICT
and
AMERICAN AIRPORTS LAKEFRONT, L.L.C.
for exemptions pursuant to 49 U.S.C. § 47134

EXHIBITS TO RESPONSES TO FAA STAFF QUESTIONS ON THE NEW ORLEANS LAKEFRONT FINAL APPLICATION

September 27, 2002

RESPONSES TO FAA STAFF QUESTIONS ON THE NEW ORLEANS LAKEFRONT FINAL APPLICATION

EXHIBIT A BUSINESS PLAN
- Business Development Plan Summary
- Cover Letter to Business Plan Excerpts
- Business Plan Excerpts

EXHIBIT B PRO FORMA AND INCOME ASSUMPTIONS

EXHIBIT C TRAFFIC FORECAST

EXHIBIT D LETTER OF NO OBJECTION,
Air Charter Associates, Inc.

EXHIBIT E LOUISIANA AIR NATIONAL GUARD LEASE

EXHIBIT F ADJUSTED FOR INFLATION DEFINITION

EXHIBIT "A"

BUSINESS PLAN

NEW ORLEANS
LAKEFRONT AIRPORT

American Airports Corporation

AMERICAN AIRPORTS CORPORATION
BUSINESS DEVELOPMENT PLAN
NEW ORLEANS LAKEFRONT AIRPORT

MISSION STATEMENT: To enhance Lakefront Airport's service to the aviation community and economic impact to the local community, and to provide the highest level of safety and efficiency. We will create the opportunity for quality jobs through effective marketing, investment of capital, and an emphasis on synergistic land uses.

GOALS

- ★ Evaluate and upgrade the existing facilities
- ★ Maintain a first class appearance and operation
- ★ Establish the highest level of safety, efficiency and reliability
- ★ Attract and develop high quality corporate and general aviation uses
- ★ Accommodate the special events and transient needs of New Orleans
- ★ Attract charter market services on a limited basis
- ★ Integrate airport-related development with community plans and development policies
- ★ Create jobs

Short-Term Business Development Program

- ★ Evaluate all existing buildings and structures
- ★ Develop a Business Plan for the enhancement and upgrade of these facilities
- ★ Upgrade the appearance of the Airport, signage and landscaping
- ★ During the first 18 months analyze the most optimum high yield, low activity uses for development concentration
- ★ Determine General and Corporate Aviation educational, training, storage and maintenance needs
- ★ Develop a focused and defined marketing plan to optimize our findings

Short-Term Development Goals

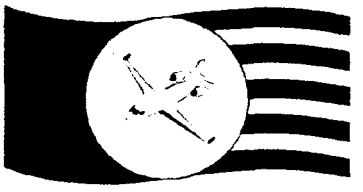
- ★ Upgrade the terminal and ramp area to accommodate new office, charter and general aviation tenants
- ★ Develop a first class General Aviation facility based on needs. This includes corporate hangar space, G/A hangar space, and maintenance and repair facilities in those areas shown on the Master Plan.
- ★ Upgrades to the airfield to include improvements to the ramps, taxiways and lighting, and navigational systems

Long-Term Business Development Program

- ★ Maintenance of airport infrastructure
- ★ Define the long-term needs of the Charter Industry
- ★ Define the long-term demand for Corporate Aviation and their service requirements
- ★ Determine the aviation-related special events and transient needs for New Orleans
- ★ Determine Military needs
- ★ Maintenance of optimal tenant base mix to best serve the airport

Long-Term Development Goals

- ★ Redevelopment of the existing hangars and terminal areas to accommodate the general aviation and FBO needs of the Airport. Limited new development.
- ★ Develop a new terminal area as shown on the Master Plan. Potential 40,000 square feet of terminal and office space
- ★ Identify community needs for those areas defined as non-aviation commercial
- ★ Develop light industrial warehousing, aviation support and recreational uses. 5 – 12 acres.
- ★ Develop a quality Aviation Mall development for maintenance, assembly, overhaul, training, avionics repair, etc. 20+/- acres in those areas shown on the Master Plan.
- ★ Reclamation of the NE portion of the property for additional general aviation storage upon demonstration of demand



American Airports Corporation

September 20, 2002

Reference: New Orleans Lakefront Business Plan
Responses to FAA Staff Questions
New Orleans Lakefront Final Application

In response to Question 5, this Exhibit A provides AAL's original Business Plan that was submitted to the Board of Commissioners of the Orleans Levee District in November 2000, as a part of the RFP for the operation and development of the New Orleans Lakefront Airport.

Please note that this enclosure contains only those portions that are pertinent to the question asked regarding the Business Plan, and not the full response to the RFP.

Sincerely,
AMERICAN AIRPORTS CORPORATION

Phebe Arlen
Manager of Administration

Enclosure

2951 - 28th Street, Suite 3000 → Santa Monica, CA 90405 → (310) 664-4094 → FAX (310) 664-4360

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SECTION 1

Proposal

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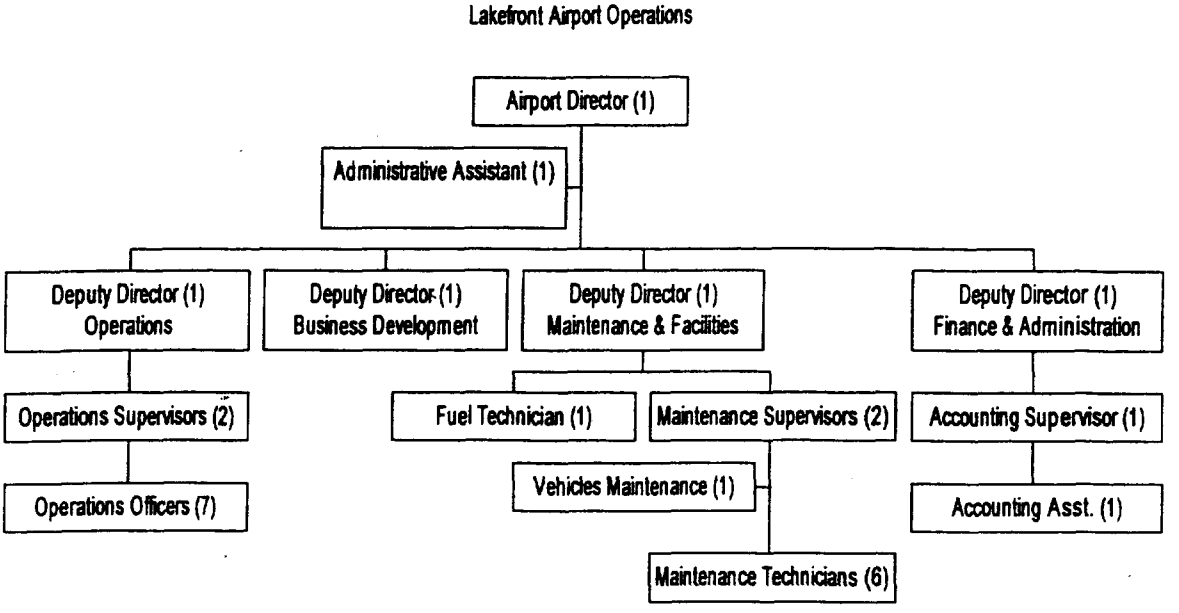
Operations and Maintenance Plan



Staffing & Hours

It is the intent of American Airports to solicit the services of existing Manager Randolph Taylor as Project Consultant. Based upon his experience and tenure with the airport, this individual possesses considerable intellectual knowledge and history of the airport and its tenants, which is valuable to the smooth transition process. This will be a full time position. In order to accommodate his personal needs to take advantage of retirement or vesting criteria, we would be open to a process of reimbursing the Levee Board for his services if he should desire to remain an official district employee.

The airport operations staff will be responsible for the safe and efficient operation of the airport. Operations oversee virtually all the action on the ground. Responsibilities include airport safety, runway and taxiway inspections, first response to all fire rescue operations, timely response to discrepancies or justification of delays, timely response to incident reports, conduct annual training exercises, annual updates on emergency plans, annual review of rules and regulations, and to provide for security to all tenants and the traveling public. The department has a Deputy Director, and consists of two operations supervisors and seven operations officers. The operations department works 24 hours a day seven days a week on three rotating shifts of 8:00 a.m. to 4:00 p.m., 4:00 p.m. to 12:00 a.m., and 12:00 a.m. to 8:00a.m. Below is the typical shift schedule with numbers representing actual employee positions.

SHIFT SCHEDULE FOR AIRPORT OPERATIONS DEPARTMENT

WEEK ONE

SHIFTS	S	M	T	W	T	F	S
8:00 - 4:00	1,2	7,8	4,5	9,1	6,7	3,4	9,1
4:00 - 12:00	3,4	9,1	6,7	2,3	8,9	5,6	2,3
12:00 - 8:00	5,6	2,3	7,8	4,5	1,2	7,8	4,5

WEEK TWO

8:00 - 4:00	6,7	3,4	9,1	6,7	3,4	9,1	6,7
4:00 - 12:00	8,9	5,6	2,3	8,9	5,6	2,3	8,9
12:00 - 8:00	1,2	7,8	4,5	1,2	7,8	4,5	1,2

WEEK THREE

8:00 - 4:00	3,4	9,1	6,7	3,4	9,1	6,7	3,4
4:00 - 12:00	5,6	2,3	8,9	5,6	2,3	8,9	5,6
12:00 - 8:00	7,8	4,5	1,2	7,8	4,5	1,2	7,8

WEEK FOUR

8:00 - 4:00	9,1	6,7	3,4	9,1	6,7	3,4	9,1
4:00 - 12:00	2,3	8,9	5,6	2,3	8,9	5,6	2,3
12:00 - 8:00	4,5	1,2	7,8	4,5	1,2	7,8	4,5

Maintenance and administration will operate on a normal business week schedule of Monday through Friday from 8:00 a.m. until 5:00 p.m., with maintenance and key administrative people on 24 hour call up for emergency.

Major repairs – Short term

One of the most obvious needs for the airport is a replacement maintenance facility. The rusted out current facility is an eyesore and not the best at protecting airport equipment from the elements. We also find that forcing tenants to comply with standards in excess of our own diminishes cooperative efforts. As noted in our financial proposal we also propose terminal improvements to include improved baggage claim and boarding operations.

Our proposal establishes a fund dedicated to the improvement of, and renewal or replacement, for items such as signs, terminal facilities, revenue producing properties, over and above that to be included in the annual operating plan. This account will be funded at the amount of one percent of gross per annum. Proceeds can only be used as stated above.

Periodic Maintenance

American Airports brings its history of applying proven business and real estate practices to its airports, to provide the highest level of safety, efficiency, security, and aesthetics in the industry. This practice exemplifies the benefits of professional private participation in the operation of airports and airport facilities. As in all business, government, and

facility management, we cannot over emphasize the value of preventative maintenance and facility monitoring. American Airports, rich with history in the redevelopment of neglected facilities, modernization, and construction of new facilities, will establish and comply with, a pavement maintenance plan for all runways and taxiways at Lakefront. The plan will be consistent with standards developed and required by the FAA for consideration of grant funding.

For airside facilities, vehicles and equipment, we utilize Datastream MP2 maintenance software. The benefit of this program is to insure lower airport expenses with an organized, accountable maintenance program. On certain facilities this program has resulted in a 55% cost reduction on maintenance. We utilize this system to:

- Organize and track inventory
- Manage equipment cost
- Track equipment history
- Schedule preventive maintenance task
- Maintain confidential labor records
- Allocate resources
- Generate work orders
- Requisition and purchase parts
- Project equipment failure

On a daily basis, the operations department will be responsible for the inspection and monitoring of facilities and runways for foreign objects and debris, non-functioning systems, lighting outages, etc., with support from maintenance in their daily activities about the airfield. These inspections will be performed at a minimum of twice per shift (8 hours), with more frequent inspections should conditions warrant. The inspections and any discrepancies will be logged, reported to maintenance, and be the responsibility of operations to follow up on to assure timely correction. An example of the areas to be inspected is included in Exhibit 3.

An operations log, will be prepared by the operations person on duty, and will be kept on file for six months. The operations log is important in recreating the events of the day. It enables us to reconstruct significant events, provide a source for research and dating past activities, observing trends as they are developing, and support decision-making during crucial situation review. The operations log will also serve as an administration tool for time and manpower study requirements.

The operations department will also assist administration in monitoring compliance of Lessee's with their agreements. Specific areas will include lease provisions related to facilities and premises. Examples would be outside storage, cleanliness, and landscape requirements.

The Maintenance department obviously would be responsible for the maintenance and repair of facilities and equipment. In addition to items brought forth from operations, there would be a routine procedure for grounds, building and vehicle maintenance. The

established priority for maintenance items would be safety, security, routine, and preventative. Specific immediate steps to be taken are shown in Exhibit 6.

The financial system that will be used at Lakefront as with our other facilities, is the Yardi Property Management System. Developed by Yardi Systems, Inc., American Airports with assistance from American Golf, searched the industry for a system that would maximize information, combining accounting, property management, lease and contact databases into one server type based system. Using American Golf's standing system of linking over 300 locations, we recognized the need to address the difference between golf course operations and airports, but use an effective information management system developed after thirty years of experience. This system is accessible to all management personnel from any location, allows for constant review, and is the most efficient method of providing project assistance.

To assist in identifying major repairs or replacements, a work order entry system is included for facility maintenance management. The system also issues recurring work orders for preventative maintenance purposes.

A monthly report of airport condition will be made to the District and include condition of airport facilities, pending and/or current maintenance activities, a status report of capital projects underway, and schedule on any outages and/or repairs being performed by other parties, such as the FAA. Additionally, we will prepare and submit, an annual operating plan which shall include: a maintenance and repair schedule; a schedule of proposed airport fees; a list of all aviation and aviation related concessionaires, contractors and tenants; a schedule of all leases, concessions, contracts and agreements to be negotiated or renegotiated; recommendations, if any, for revisions of the emergency-contingency plan, airport rules and regulations, community information plan and the airport security plan; recommendations, if any, for non-capital improvements of airport facilities and acquisition of equipment

Innovative maintenance

One of the major benefits of our operation is the practice of cross utilization of employees. Our practice of training personnel in all aspects of the operation enables us to provide the same current service level at Lakefront, while reducing authorized positions from the current level of forty, to our proposed level of twenty-seven. This represents a direct benefit to the OLD in the form of higher lease payments. This also allows us to use staff time more effectively.

Another practice we have been successful at is including maintenance contracts as part of a capital bid proposal, thereby allowing use of federal or state funds for equipment maintenance in the initial life of an asset. Examples include weather systems, satellite communications systems, computer and data processing equipment, and non-federal navigational systems. Other potential avenues for use include terminal, HVAC, security, conveyor systems, and other similar projects.

Grants

American Airports through its Airports Operation, has received commendations from the FAA for the development of state of the art airport emergency and operating manuals, development of comprehensive and concise airport leases, and in resolution of compliance issues such as existed at Galveston – Scholes Field, and Los Alamos Airport, among others. Mr. Fuller as Airport Director of Galveston was able to turn around years of neglect and resolved numerous non-compliance issues. After receiving commendation from the FAA for being instrumental in the resurrection in operation and appearance of this strategically located international airport, he was asked to speak by the FAA on proper *"financial management of airports"* at regional airport conferences and subsequently on *"airport privatization"*.

As Airport Director of Shawnee, Oklahoma, Mr. Fuller received commendation for the "creation of jobs in severe economic times" from Congressman Wes Watkins, who as a member of the House Ways and Means Committee, was instrumental in assisting the airport to extend the runway a critical 800 feet. After the FAA refused to fund this economically vital project, the Congressman, City Manager and Mr. Fuller where able to establish a line item in the congressional budget utilizing Urban Mass Transit Funds to tunnel a state highway and construct a runway extension overhead. Rather than the standard FAA participation of 90%, they were able to obtain 100% and transfer the funds to the FAA for management as an airport project.

As Manager of Finance and Administration, Mr. Fuller was instrumental in obtaining scheduled air service for Atlantic City at their International Airport within twelve months of his arrival. This City for ten years previous had been unsuccessful in securing service to address the tourism and casino needs. The annual visitor count to the City was thirty million persons.

Mr. Fuller was brought in by Gwinnett County (Atlanta) to spearhead the largest reliever airport project in the country involving the use of over 22 million dollars in federal funds. Mr. Fuller again received commendation from area Congressmen (the airport was actually in two districts), and due to experience, was able to line item an instrument landing system in the congressional budget. The FAA credited this action in preventing them from building the most expensive visual flight runway in the country. Mr. Fuller was also instrumental in shaving a year off the project by acquiring additional local funding for land acquisition, thereby allowing all FAA funds to go for construction.

Mr. Fuller has frequently been identified in local as well as the national media as an expert in the acquisition of federal grants, as well as the rewriting of federal programs to streamline and enhance the provision of safety enhancements, and other airport improvements.

Responsiveness to Tenants

Our experience is that to fulfill our pledge to be responsive to the local community and the District, we must have the cooperation of the airport tenants and users. In order for us to obtain their support, we must to the best of our ability, provide support and fulfill the needs they have to be successful, and provide the first class service that we expect the users and public to receive.

We utilize a number of procedures to accomplish this task. Foremost are roles for the commercial tenants in the development, review, and/or revision of minimum standards. We would establish an Airport Safety Committee to meet on a monthly basis, with tenant representatives as well as invite the public to attend. The purpose of this committee would be to evaluate any problems with current operations, identify desired safety improvements, airport needs, and to enhance communications between the administration and users. A monthly report of this committee's activities and recommendations would be made to the district as part of our monthly report.

Comments and requests from tenants not related to airport obligations in their lease will be reported to the district monthly. Status of pending actions in regard to airport obligations to tenants, if any, will also be included.

Any tenant request will be responded to in two working days. If an action is required or information needed to determine action, the response will be to provide an expected delivery date of such action or decision.

We find that a regular newsletter of airport activities and construction project status is valuable toward eliminating the rumor mill. It calms the fears of the airport users and community (mailing list of concerned citizens utilized), and provides additional assurance to the stakeholders that we are paying attention and accommodating their needs.

We would sponsor a "good neighbor day" once annually with the cooperation of the airport tenants, as an educational effort for the local community through interaction and first hand experience with operations on the airport.

Administrative Plan

American Airports Corporation is a California corporation that will be authorized to do business in Louisiana.

United Professionals – Sisung Securities is our partner under a consultant relationship with the opportunity to become an equity partner. The maximum interest they will be allowed to buy is twenty percent (20%).

Richard Freeman will be the main liaison with the Levee Board and report officially to Scott Fuller at the corporate level. Our Atlanta office will oversee the management of airport operations. Our California office is mainly involved in capital financing and projects development and approval. All corporate offices are also be available to the Board for consultation and liaison, and with other locations, are involved in marketing and business development activities.

A DBE plan will be prepared for capital projects on a case-by-case basis. Once work scope is determined, a plan listing qualified and certified DBE's available will be developed and appropriate participation percentages developed for review and approval to appropriate parties.

In addition to a DBE program for construction projects, a DBE concession plan will be established and implemented consistent with procedures set forth in 49 CFR Section 26.45. The goal for expected participation in this program will at be least sixteen percent (16%).

American Airports overall goal will be based on demonstrable evidence of the availability of ready, willing and able DBE's relative to all business opportunities.

American Airports shall begin the goal setting process by determining a base for the relative availability of DBE's. The following are examples of approaches that we will take toward determining a base figure. These examples are provided as a starting point for a goal setting process. Any percentage figure derived from one of these examples should be considered a basis from which we begin when examining all evidence available in the jurisdiction. Examples of resources used in these methods are listed below.

- Use DBE directories and census bureau data
- Use bidders list
- Use data from a disparities study
- Use the goal of another DOT recipient
- Alternative methods

Once a base figure has been calculated, an examination of all evidence available in the jurisdiction will be made to determine what adjustment, if any, is needed to the base

figure in order to arrive at our goal. These adjustments shall be considered in accordance with 49 CFR 26.45.

American Airports calculation of concession goals shall be consistent with our historical process of expressing overall goals as a percentage of gross receipts to be earned by all concessionaires.

American Airports will use the same methods and procedures to determine DBE availability for capital projects.

One of the unique aspects American Airports brings to an airport operation is its dedication to the improvement and provision of opportunities for the advancement of our co-workers. We strive to challenge new people and provide training for them in order to expand our capabilities and network. To accomplish this mission we utilize a three-phase process that concentrates on the acquisition and retention of qualified and dedicated personnel, perpetual and challenging training and retraining of necessary skills, and application of established procedures and tasks, which are consistently monitored for changing conditions and opportunity for improvement.

To encourage the development of co-workers we will also establish an incentive program similar to other locations as shown here.

Management Incentive Program

- **To encourage marketing and promotion of facilities** - a percentage based bonus for new revenues over 15% per annum (expected results), on total airport revenues, not individual increases.

- **To encourage efficiency and monitoring of day-to-day operations** - a percentage of operating expense savings associated with no decrease in service level.

- **To encourage attention to pending matters** - a percentage based bonus for successful renegotiation of existing lease to new or modern terms and standards (these actions will be identified in our lease audit which identifies recommended actions to each commercial or long term agreement.). Should be in the neighborhood of 10-15% of unexpected increase, preferably first year.

- **New business** - New leases. (See A above).

- **To promote attention to safety** -Workers Comp Experience. Bonus for no claims year. Penalty for failure to report injuries.

- ***L.A. County Airports*** - a cash based bonus for reduction in number of discrepancies (weighted), from previous year by contract monitors.

- **To aid in the retention and receive benefit from experience and training of Coworkers** - Longevity Bonus.

- **To encourage initiatives and innovative actions of management and coworkers** - a cash bonus directly proportional to the cost/benefit for development of proposal or policy applicable system-wide to improve the efficiency of operations.

- **Standard Bonus** - based on evaluation of items to include but not limited to 139 or other airport annual inspections by authorized agencies, personnel actions, self and related to supervised workers, and other factors to be determined.

Transition Plan

With the exception of director positions, it is our intent to offer first opportunity for approved positions to existing employees. They would be hired on probationary status and be required to demonstrate their ability to perform the required functions of their position.

Upon notice of award, current employees would receive descriptions of positions and appropriate pay scales and be encouraged to apply for the positions. Pay scales would be similar to current levels. Additionally, company personnel policies and benefits summary will be provided. American Airports would notify existing employees that they have first opportunity to apply for open positions. Interviews will be conducted with all applicants. Offers will be made to all persons who hold the necessary skills for the position, maintain a desire to serve in the position, and complete our standard employment screening process. This is, of course, until all existing positions are filled.

A training schedule will be provided to appropriate positions. In the situation such as Lakefront where we anticipate the majority of positions being filled with existing personnel, the training requirements shift from new worker training to a modification of existing duties and procedures. We do not anticipate an issue with turnover and in fact we are transitioning eighty new coworkers at locations including California, Washington and Pennsylvania this month. Though we anticipate training duties to continue from thirty to sixty days, the operation is progressing intact, with no disruption expected.

Management and supervisors receive initial training. The supervisor or manager performs training of subordinates. This process reinforces the knowledge of the supervisors and allows training to take place with minimal interference to daily operations.

We require sixty days to put in place the necessary data processing equipment, program the same with our systems, and provide time for initial training of accounting, lease and maintenance software. All systems are linked to our main offices and we are capable of operating the system with existing personnel should the need ever arise. We anticipate no problem with being up and running on the effective date.

The district counsel would receive a copy of our lease standard two weeks after notice of award. We are available on short notice to meet with necessary parties to complete the necessary revisions, additions, and other comments to develop the standard approved agreement for the airport. The OLD will be the driving force on the time it takes to complete this process.

Upon notification of award, we will perform an in-depth condition survey of all Navaids, to include FAA (in cooperation with maintenance technicians) and non-FAA. A condition report and maintenance schedule will be developed. PAPI's aiming angles' (if non-FAA owned) will be checked regularly for proper aiming in accordance with 5010

published angles for NEW. On higher technical facilities such as non-federal localizers, we generally provide for solicited bids from certified firms. These actions, if any, would be coordinated with the Airport Manager.

The enclosed training manual (exhibit 3) will be modified by transition managers to be site specific for Lakefront. All Operations officers will be required to complete the training program within thirty days of official employment. Managers and Supervisors will be required to document knowledge by the effective date.

Personnel transition will take place in the two weeks before the effective date of this lease. Support personnel from American Airports will be on hand during this period to assist and answer any questions with regard to required and necessary documentation.

We will prepare and submit to the District for review and approval, prior to the effective date of this Agreement, an airport emergency contingency plan. Such plan shall set forth effective procedures, in conformity with applicable federal, state, and local laws, rules and regulations, to be implemented at the airport in the event of: aircraft crashes, incidents and/or accidents, both at the airport and in the immediate vicinity; fires; hijacking; bombings; personal accidents; sudden illness; natural disasters or any other emergency which might affect or imperil the health, safety or security of persons or property or orderly and efficient Airport operations. Said plan shall be reviewed no less than annually by American Airports and proposed revisions shall be submitted to the District as appropriate.

We will review, in consultation with local police jurisdiction and submit to the District, no later than ninety (90) days after the effective date hereof, proposed revisions, if any, of the existing airport security plan. Such plan shall be in conformity with applicable federal, state and local laws, rules and regulations, and shall be designed to protect the safety of airport personnel and the safety of the general public utilizing the airport. American Airports shall take all such actions as may be necessary or appropriate to implement such plan as approved by the District. Said plan shall be reviewed no less than annually by American Airports, and proposed revisions shall be submitted to District as appropriate.

Recent examples of our transition abilities include the transition of seven airports and approximately eighty employees. Our time to transition from acceptance of final offer to close is approximately three weeks.

At our Winder project, now eight employees, due to an emergency with a preexisting FBO tenant, we were required and successfully took over operation two weeks after the award of contract.

Airport Development And Marketing Plan

Industry forecasts foretell an annual growth in aviation of about two percent a year. If the airport is built out, generally this would be the amount of growth to plan on and use in budgeting and determining future revenues. Exceptions are normal. Specially where an operation utilizes aggressive marketing efforts and recognizes that the mix can be modified to increase revenues higher than norm.

Lakefront Airport still has some limited available sites for development, and through application of standard rates airport-wide, which the Board has already adopted, it will exceed the industry growth rate for the short-term period of five to seven years. The opportunity exists for Lakefront to exponentially increase revenues with existing facilities and little impact to activity by addressing high return operations.

Specifically, we are referring to the improvement of the current charter operations into the airport. The financial impact from one charter operation compared to a corporate operation is obvious. As our proforma shows, the impact from two percent increase in operations (takeoffs and landings), can result in an increase of one hundred percent in revenues. It is our position that to maximize the benefit of the airport and return to the Board, that we focus marketing and business development efforts on improving this existing activity as well as the development of corporate and aviation support businesses.

We strongly believe that two main projects are in the airport's best interest. These are the proposed runway extension and a replacement terminal building. It is important to note, that neither of these projects is required to reach the projections that we show in our ten year proforma with the financial proposal. The purpose of the runway extension is safety by providing a longer overrun, environs compatibility, moving the south end north by a few hundred feet, and maximizing the efficiency of existing aircraft operating at the facility. The longer length results in longer range for the aircraft by allowing the weight of additional fuel.

The purpose of the terminal replacement is a matter of age and function of the existing facility. While the current facility can operate functionally well into the future, due to age, the costs of maintenance continue to go up. Additionally the terminal does not have the capability to provide the basic comforts and capabilities that today's travelers are requiring. With the electronic and wireless activity on the airport increasing daily, the new facility would be designed to modern standards needed to properly manage the wireless technology and meet industry needs. This includes everything from advertising, flight information, rental cars and so on. Our policy would be to manage and license to wireless users on the airport, access to the airport's wireless system, as opposed to allowing all users to inundate the capacity with little revenue to the airport. We know of one facility that is generating over $2,000,000 in fees from wireless applications.

Our mission with regard to terminal operations will be to utilize our extensive network in the travel, aviation, and cargo industry to enhance and improve on existing activities,

concentrating on the increased development and catering to charter operations in support of the convention and tourism business in the New Orleans area. Lakefront Airport is a superior facility for accommodating this type service due to its location to the downtown area, lower costs of operation, which is very important to a charter operation. We will actively be involved in the hotel, chamber, and service organizations in the area with an aggressive role in the packaging and support of promotions, marketing, and facilitating tour packages and convention support. Direct contact and proposals will take made with existing nationally recognized tour operators and charter companies such as Apple Tours and ATA. Operators such as these have longstanding relationships with each other, which work to the airports' advantage.

The management software program we utilize provides for marketing analysis and tracking of showings and inquiries, tracking of demographic information, summary reports, to assist and organize marketing activities. These include those efforts provided at site as well as enhancing communications with regional offices designed to support the continued development of Lakefront Airport.

The airport is poised to accommodate these services, but lacks certain amenities that detract from the impression and image we believe the City deserves. Lack of congestion allows for quicker arrival and departure times, which are major costs now in the charter industry. The obvious shortfall is the lack of all weather access to aircraft from the terminal, which today's passenger is acclimated. We therefore have included the provision of jetways designed to serve two parking operations on the terminal ramp in our short-term improvements.

Casino charters are accommodated with passengers transferring through the terminal to waiting buses, limousine's, with luggage being loaded and transported to rooms via courier truck. However, with international (unless pre-cleared) or multi-tour charter, luggage is claimed, transferred to the right waiting ground transport, for transportation to the correct hotels. We therefore have identified the need for improved baggage handling and customs accommodation facilities in our short-term needs. We also will include the provision for improved terminal concessions to occupy waiting passengers and increase revenue through competitive bid process.

We have already had discussions with one of the major success stories to come along in the airline travel industry. This group previously identified the New Orleans area as a market ready to accept their upscale limited service to the northeast with brand new jet service on a limited basis. For a number of reasons they bypassed New Orleans last quarter and opened up a new city in Florida.

They have firm orders on new aircraft for the next few years and a business plan that we believe will be very beneficial to the District and users for many years to come.

To accommodate and expand current marketing efforts, American Airports will earmark one half percent of gross revenues to be dedicated to marketing and business

development activities. These would include advertising, exhibits, and conference sponsorships.

Forecasted Operations and Passenger Counts

The following information is obtained from the current Lakefront master plan.

The 2000 projections assume an average of one charter flight per day with a Boeing 727 as the critical design aircraft and passenger load factors of 80% to 90%. This would result in year 2000 activity of 700 charter operations and 93,600 total passengers(enplaned/deplaned or total)

The 2005 projections assume an average of three charter flights per day using the MD-80 aircraft as the critical design aircraft again with 80-90% load factors. The total operations for year 2005 would be 2,900, with 406,800 passengers.

The 2015 projections assume an average of four charter flights per day with the MD-80 as critical aircraft. The total operations for the year 2015 would be 3,600 and the total passenger count 514,800.

Our first year projections exceed those shown in the airport master plan. The Boeing 737-300 is our critical design aircraft. The load factors used are 80% for charter, and 65% for scheduled charter operations. Scheduled charter is defined as serving a particular destination on a regular basis.

We will continue to work with charter carriers to open markets to New Orleans Lakefront Airport. We pursue opportunities with International operators such as Air London, Air Tours, Britannia, City Bird, Condor, LTU, Monarch, and others. In recent years, the market and demand for International Charters has increased in the U.S. We believe there are many opportunities for this market at Lakefront. Our projections identify a potential of one million plus passengers a year by the year 2015.

Listed below are potential revenue areas located in the terminal building for charters and concessions as identified in the airport master plan:

Airline Revenue Space – 14,900 s.f.

- Ticket counter – 560 s.f.
- Ticket counter passenger queuing – 700 s.f.
- Ticket office – 1,400 s.f.
- Outbound baggage – 2,800 s.f.
- Inbound baggage delivery – 1,400 s.f.
- Baggage claim – 1,400 s.f.
- Operations and maintenance – 2,800 s.f.
- Departure area – 3,900 s.f.

Concessions-Food – 4,074sf

- Food service and preparation – 3,056 s.f.
- Cocktail lounge – 1,019 s.f.

Concessions-Other – 2,647sf

- News/Gifts/sundry sales – 1,381 s.f.
- Car rental – 556 s.f.
- Other concessions – 710 s.f.

Below are samplings of rates and charges at similar size airports:

Dane County Regional Airport Terminal Fee's

- Terminal space rental - $24.70 per s.f./yr for signatory carriers; $36.72 per s.f./yr for non-signatory carriers.
- Loading bridge fee – 13.87 s.f. for signatory and non-signatory
- Concession fees on gross receipts – Restaurant 16.5% of gross, Alcohol 21.0% of gross, Gift Shop 10% on required items such as travel necessities and permitted items 16% of gross.

Melbourne International Airport Terminal Fee's

- Ticket Counter - $27.61psfpy
- Office Space - $24.10psfpy
- Baggage make-up - $17.66psfpy
- Loading Bridge (assigned) - $38,367.00 per year

Parking Garage

Additional review sources are the parking garage area, which can produce the largest amount of revenue per year. The master plan shows a three level parking garage at the new terminal facility. The total spaces for the garage are 1710 for long term, short term, and car rental ready/return and storage. Dane County Regional Airport has 1835 spaces that generate 3.7 million dollars in revenues per year. Typical parking rates for long term and short-term parking are:

- Long term ramp parking - $6.00 per day
- Short term ramp parking - $9.00 per day
- Surface lot - $4.00 per day
- Shuttle lot - $5.00 per day

Leasing and Facility Operations Policies

We utilize a simple approach to the financial operation of an airport by dividing revenues into two categories, rentals and fees. Our methodology to rentals is to obtain fair market value for rental of facilities and/or property. To acknowledge and provide assurance to the Federal Aviation Administration that facilities improved with aviation trust funds will be utilized for aviation purpose, we add a premium for non-aviation use of airport land or facilities where such use is authorized. In view of the fact that the airport is receiving no aviation service from this user, we typically establish a premium of 25% over standard rates.

Ideally, revenues from rental rates should be dedicated to the improvement, addition, renewal or replacement of facilities and other airport fixed assets, which in turn generate additional revenues. This is our goal with regard to Lakefront Airport.

Our methodology with fees is to establish rates based upon and to recover the costs of providing services. Services include airfield maintenance, rescue services, fuel services, and utilities, all operating costs associated with airfield activities. The bulk of these fees come from and rightfully so, commercial operations. These include air taxi, maintenance, air carrier, etc. Even based operators, the premise is if you are utilizing the runway or airport to derive income and operate a business, then a fair and equitable fee is due in return for the privilege and in way of reimbursement of costs to the airport to provide the opportunity.

A longstanding practice in the southern region is to charge commercial fees for commercial use, but accept the presence of a fuel flowage fee as a fee to non-commercial users for use of the airport. Unfortunately, many visitors or transient customers do not buy fuel and enjoy the privilege of using a multi million-dollar facility free of charge. We believe in the future, the presence of non-commercial landing fees will come into being in this region, as it exists in others. We have no desire to be the champion or torchbearer for this cause however. We would reserve the right for consideration of the same by OLD, at an appropriate time when this procedure is customary to the industry.

At American Airports, we utilize a basic triple net lease approach to develop land leases as well as leasing of existing properties. American Airports will comply with conditions of the master lease, properly reference, and encompass the same in all airport agreements, extending beyond one year. We will promote available land sites for commercial, corporate, and storage use consistent with master plan terminal area layouts.

Commercial includes such uses as small package freight, aircraft maintenance, avionics sales and repair, aircraft sales, and fixed base operations. Competition being the most important criteria for assuring the availability of first class service, it would be our desire to see no less than three full service competitive fixed base operators on the airport at all times. Minimum Standards will routinely be reviewed to assure the viability and presence of a fair and competitive platform for these firms to operate, while assuring the incentive for them to market and solicit new business for the airport. A competitive

process will be used where opportunities exist for new entrants with criteria for selection published up front. Fees and rates for such activities will be consistent with industry standard and in compliance with the privatization program.

District and Stakeholders Plan

The Airport Director will report monthly or more often as needed to the District Board and the Aviation Committee. Corporate representatives, mainly Scott Fuller, Robert Clifford and Kris Thabit, will be on site as needed to train, support and assist staff, respond to Board requests, and further on an intermittent basis as workload requires and allows. Mr. Larry Sisung and Toby Cortez are located in the Central Business District and are readily available.

The Director will be available to District Staff on a daily basis, as he is with the Board. In addition to the Director, District Staff will have complete access to all management staff for needed assistance and/or coordination at all times

A Community information relations plan will be completed within ninety (90) days identifying attributes of the facility along with the purposes of business aviation. A speakers' bureau will be established identifying airport co-workers to speak to interested community groups on specific subjects. The Lakefront management team is encouraged to participate in professional and community groups and continually be a source of correct information for the local area.

American Airports staff is active in many professional associations throughout the country including state, regional and national airport associations, civic, and charitable organizations. We are proud of our record of participation, including positions as Past Presidents of State Associations, Advisors for Aviation Management Programs for F.I.T., Embry Riddle Aeronautical University, Oklahoma State and others, and presentations to professional groups on various subjects.

We view each citizen complaint, noise or otherwise, as an opportunity to educate the public about the benefits of aviation, the airport, and the potential to acquire another airport advocate. Our experience is that taking the time to listen and discuss a situation reduces the potential for adversarial confrontations.

Gwinnett County, the fastest growing large county in the nation of the eighties, an affluent suburb of Atlanta, was also home to the largest reliever project at the then fifth busiest airport in this aviation strong state. One of our principals was so successful in building the trust of the residential and business community, that they rallied in support to coax additional funds out of Washington for additional improvements, for this economically beneficial community airport.

We will confer and cooperate with groups interested in the operation of the airport including but not limited to the National Business Aircraft Association, local aviation and pilot's groups, and the Aircraft Owners and Pilots Association.

The Director and other airport staff will meet with the local and regional offices of the FAA, State DOT, City, and other interested parties as necessary to communicate the needs, benefits, actions, plans, obtain required approvals, and more often to establish good working relationships, build trust and cooperation.

SECTION 2

Financial System

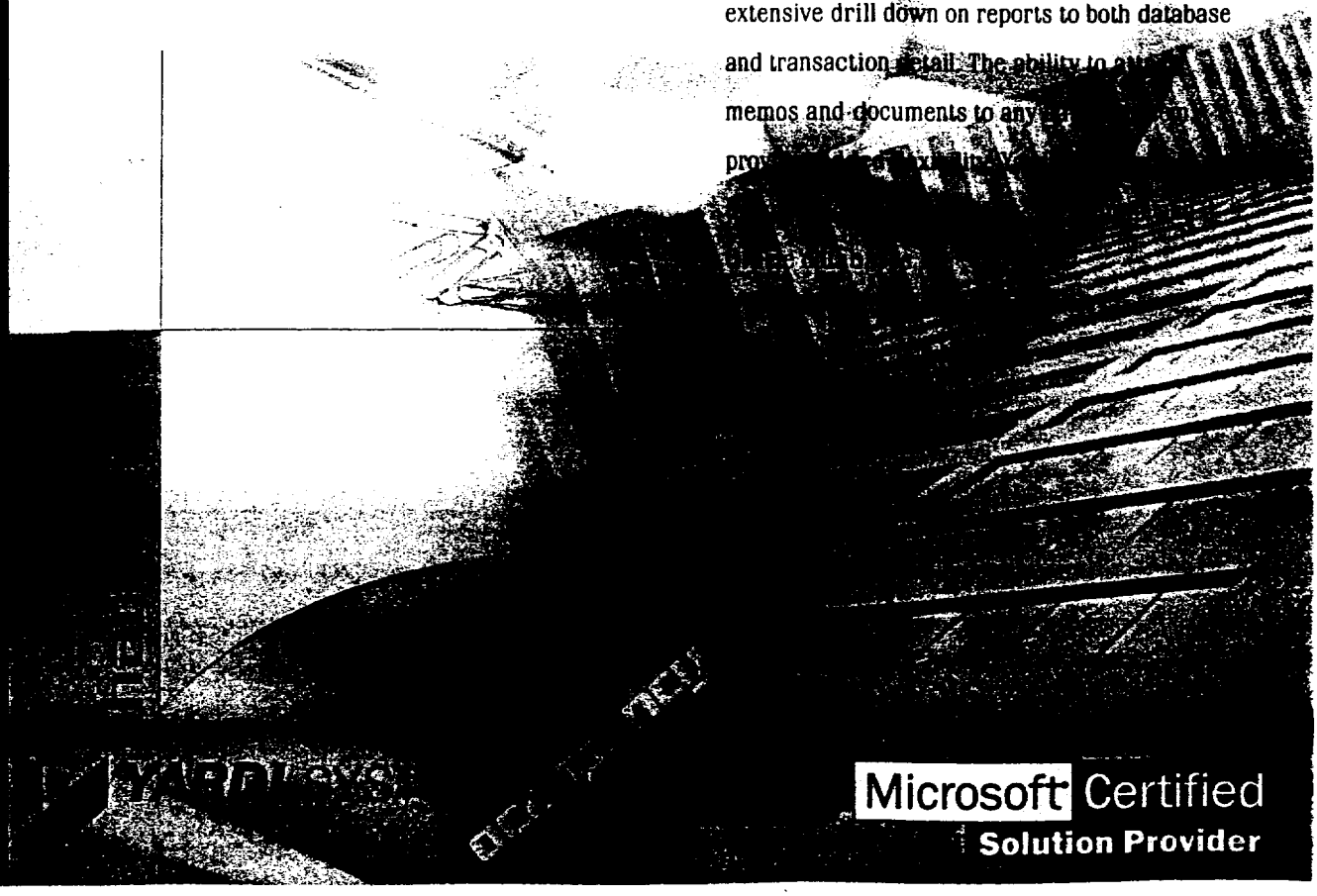
Y A R D I

ENTERPRISE PROPERTY ™ MANAGEMENT

For an enterprise-wide solution, Yardi software is a unique property management tool for managers of all property types.

Yardi Enterprise offers powerful processing, high-level security, customizable interfaces, integrated accounting and the flexibility that comes with a scalable internet enabled system.

Yardi Enterprise ™ is built on 32 bit Windows technology that provides for easy navigation and smooth integration with Word and Excel. Powerful features include extensive drill down on reports to both database and transaction detail. The ability to [illegible] memos and documents to any [illegible] pro[illegible]



Microsoft Certified
Solution Provider

YARDI PROPERTY MANAGEMENT

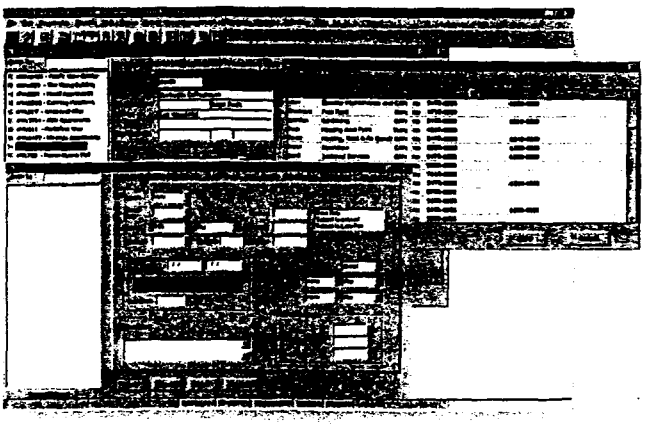
SMART MANAGEMENT EQUALS SUCCESS

Yardi Property Management™ helps you succeed as a property and asset manager. Instant access to key property and tenant performance data is essential to management success. It's equally important to be able to efficiently process, manage, and distribute this volume of information, both internally and externally. Yardi's systems provide all the tools you need to accomplish these crucial management functions. They give you the ability to improve property performance, increase return to investors, and meet or exceed tenant expectations.

Yardi is designed to track an unlimited number of properties, tenants, and lease types. The seamless integration between management functions and the Yardi accounting system eliminates duplication of effort, dramatically increasing your accuracy and overall productivity and profitability.

COMMERCIAL AND RETAIL LEASES

Property management software should adapt to any commercial or retail lease, no matter how complex or unique. Yardi provides the flexibility to administer the most complicated retail, office, industrial or warehouse leases, from basic yearly rental agreements to retail leases with multiple breakpoints, to office leases with complex CAM recovery clauses. The lease charge system lets you easily oversee the exact provisions of each tenant's lease agreement.



From the Tenant screen all lease charges are centralized for quick overview, and with a single mouse click, full detail on any particular lease charge is available.

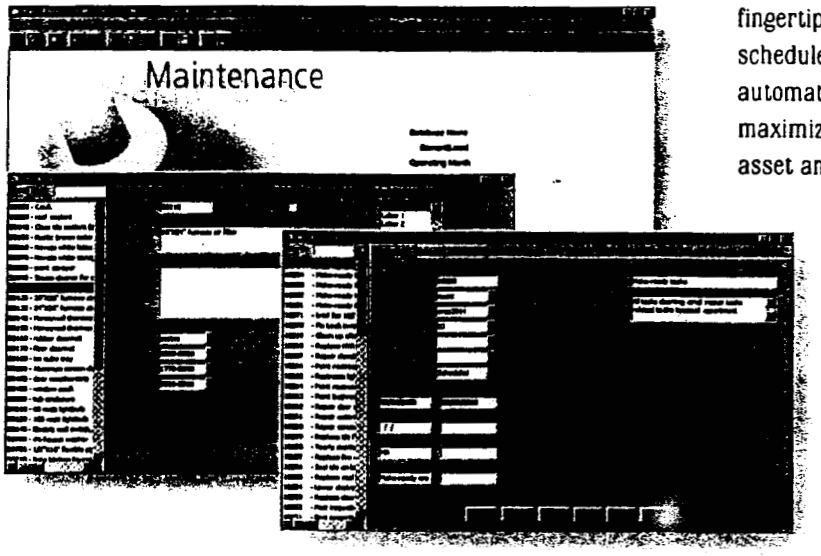
RESIDENTIAL MANAGEMENT

Yardi offers a broad range of central or on-site residential management solutions for single family and multi-family environments, encompassing everything from subsidized housing, manufactured housing, assisted living, senior living plus condominium associations and cooperatives. A dynamic feature set enables owners and managers to build a comprehensive, historical record of events for each resident, streamlining contact management.

Optimizing occupancy and collections are made easier with an extensive array of monitoring and reporting options including automated move-in and move-out functions that pro-rate charges and generate refund checks and closing statements. Monthly statements are available in several formats, and notices, letters, and other correspondence are easily produced.

MAINTENANCE MADE EASY

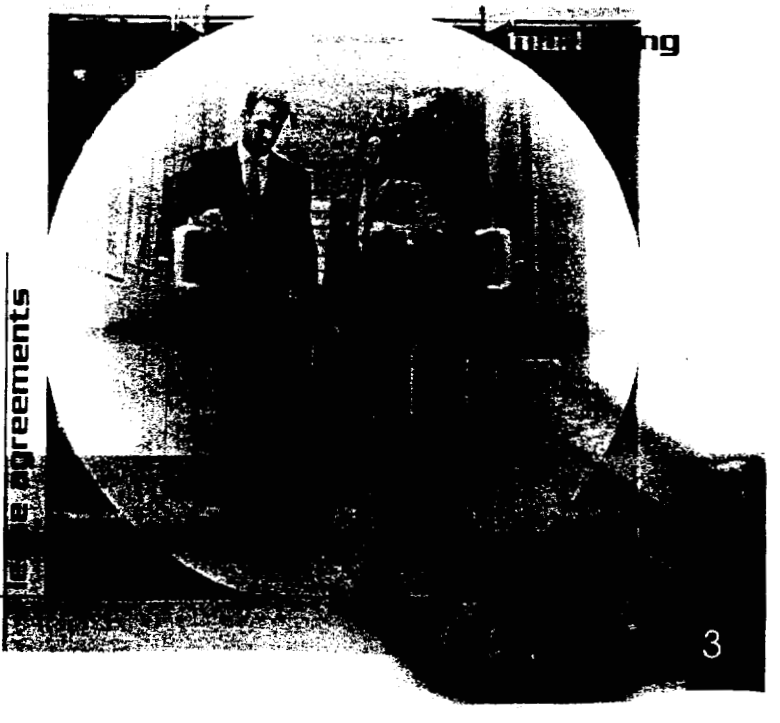
Enhance and preserve property values by gaining an unprecedented level of control with Yardi's maintenance features. Generate work orders and monitor each work request through completion. Efficiently and accurately maintain a complete history by property and unit. The work orders can also create charges to tenants and payables for vendors. The comprehensive database of unit and building assets lets you track information imperative to cost control and proper maintenance management. Your purchase records, warranty information, maintenance contracts, and depreciation schedules are at your fingertips. Regularly scheduled maintenance is automatically flagged, maximizing the life of each asset and minimizing the cost of repairs.



A single work order lets you establish tenant or property charges and management company payables. Pop-up lists provide easy access to available stock items, with automatic stock reduction for items used.

MAXIMIZE MARKETING

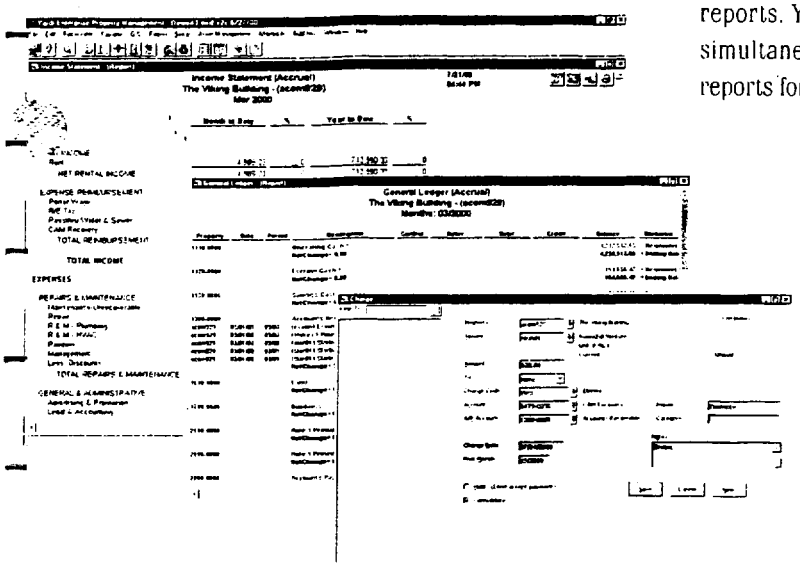
Demographic data important to your portfolio mix is easily tracked with user-definable fields. Once an applicant becomes a tenant, their application information automatically flows into the tenant record. Reports on referral sources, showings, rental types desired, wait lists and other criteria, provide invaluable information to managers. By automating the application process and sources of business, marketing efforts are maximized, and compliance with fair housing laws is simplified.



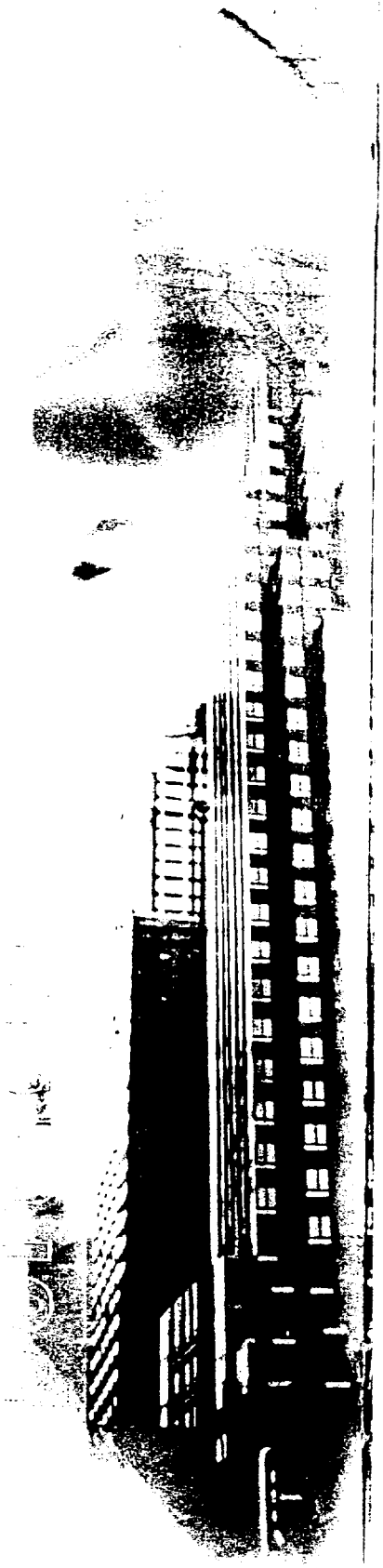
STANT ACCESS TO INFORMATION

Your business decisions depend on sound financial information. A powerful accounting and financial system forms the backbone of Yardi Property Management. All fundamentals are covered, including general ledger, accounts receivable, accounts payable, check writing, tenant billing, audit controls, and comprehensive financial reporting. Budgeting for multiple years and budget variance tracking allows for detailed and accurate budget variance analysis. Yardi handles multi-level consolidations, allowing you to provide clients with individual statements, statements by percentage of ownership, and other user defined groupings.

The system provides numerous standard reports and customized formats can be created to deliver your client's information the way they want and need it. All reports can be printed, viewed to the screen, or dropped into a word processing document or spreadsheet for further analysis. If you need a different view of the information within a report, simply 'right click' on a report column and an instantaneous re-sort is done on the selected column. Drill down capabilities make financial research a breeze; with just a click of the mouse you can easily get to the source of the item in question. Eliminate the worry of some clients wanting cash-based financial reports and others wanting accrual reports. Yardi maintains both formats simultaneously and can quickly produce reports for current or prior periods.



Drill Down capability exists throughout the Yardi reporting system. With just a click, go from a financial statement, to corresponding general ledger, to the specific charge.

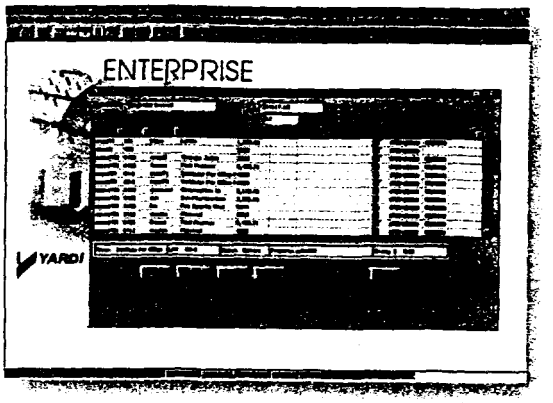


AL TIME ACCOUNTING

The general ledger provides an extremely flexible account structure including multi-tier ...lity relationships for departments, partnerships or other significant groupings of entities. The ledger is date sensitive. With proper security authorization, adjustments are fast and easy with postings at any time to current, past, or future periods. Recurring and auto reversing journal entries, inter-company accounting, and multiple sets of books give you the automation needed to guarantee your financial details are always complete and accurate.

MAXIMIZE PROFITABILITY

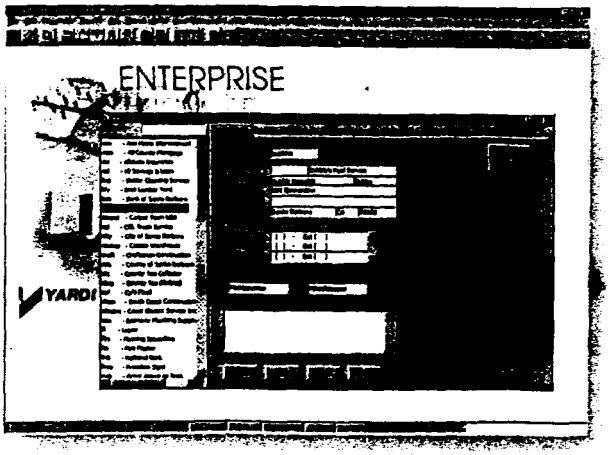
Profitability begins with making sure all income is accounted for and properly reflected in your accounting system. Lease charge codes ensure that all rents and fees due to you are identified and billed each month. When a tenant is past due, late fees and charges can be assessed based on the calculation method of your choice. Batch, real time, or quick receipts data entry modes provide flexibility, with options for bank lockbox interface and OCR statement scanning. Corporate receivables (non-tenant receipts) are easily processed as well. On-the-fly set-up of charges and credit memos, plus pre-determined payment account sequences and automated handling of prepayments further expedite the processing and control of monies received.



Quick Receipts provides batch control while truly expediting the receipt process with only a check number required for data entry. Tenant list can be sorted by Tenant Name or by Property/Unit/Tenant.

CONTROL EXPENSES

The accounts payable function gives you complete control over your expenses. Vendors are easily set up, with complete histories available at a touch of a button. Invoice screens are structured for efficient entry, including multiple property allocation by dollar or percentage distribution and includes "hold for check run" or "pay now" features. The system provides holds on individual invoices or the entire vendor account, giving you complete management control over vendor disputes. Holds are also made for liability and workers compensation insurance expirations. The check writing function lets you decide which invoices you want to pay, gives you options to include notes on your check(s) and print multiple check copies. Partial payments are also easily entered and tracked. Check voiding and invoice reinstatement is completely automated, and recurring payables keep you on time with your regular monthly obligations. MICR check encoding, using blank check stock, saves you money and lets you easily administer as many bank accounts as you need.

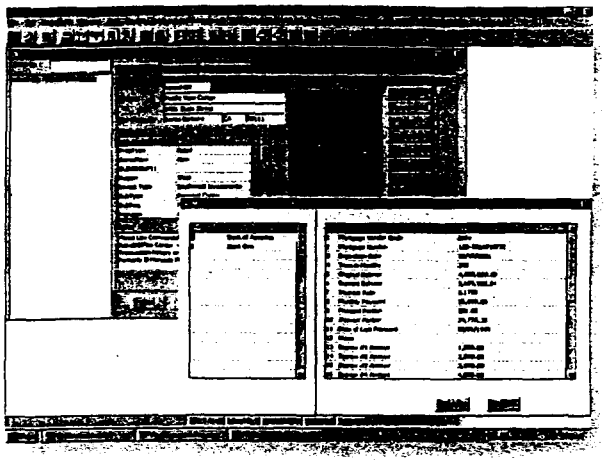


Keeping tabs on vendors is easy with up to 10 phone numbers, full notepad, and insurance information. Default charge codes and discount information speed up invoice processing. 1099's are more accurate using the '1099 Legal Name Field'.

YARDI PROPERTY MANAGEMENT

CUSTOMIZABLE DATABASE AND SCREENS

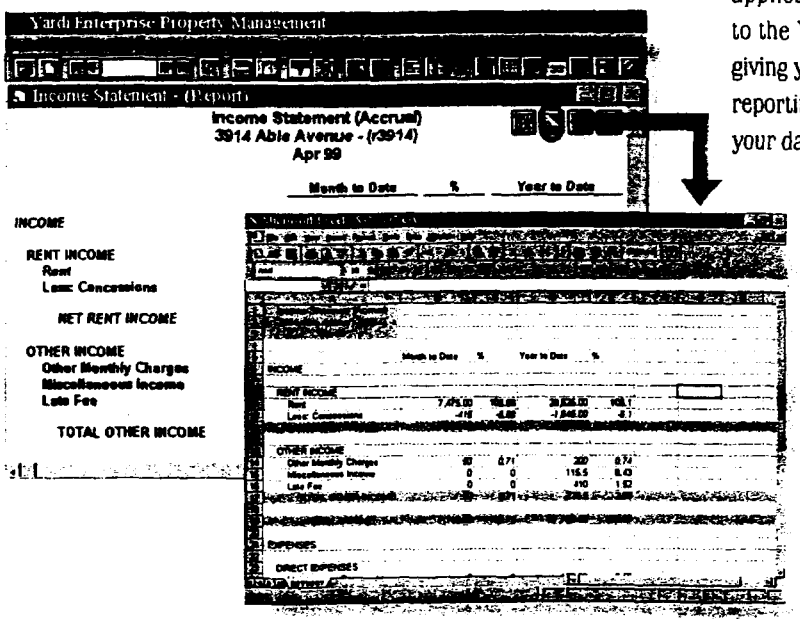
The open, expandable database structure allows the system to include many custom features that let you fit the system to your methods of operation. Extensive set-up parameters let you establish system operating guidelines and controls according to your company's policies and operating procedures. On-screen terminology can be easily changed so that field descriptions are customized to reflect your environment. Unlimited custom data screens, consisting of user-defined fields can be created to expand information on property, unit, tenant, applicant, and vendor records. Attachments are quickly linked (paper clipped) to database and transaction record types, letting you immediately access lease documents or scanned invoices. The ODBC compliant database lets you easily import and export database information - allowing you to map data to and from other systems.



Data screens are easily designed. They can be textual, numeric or pick lists as above.

REPORTING FLEXIBILITY

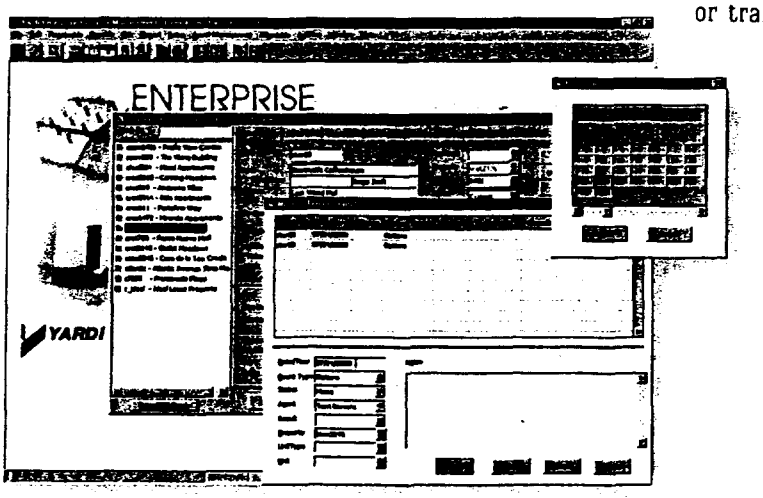
Make better decisions with timely and accurate reports. There are numerous standard reports available, and custom reporting allows for the design of analytical reports and financial statements in formats you define. Yardi's Report Macro automates reporting requirements and is a great time-saver for printing a batch of reports that are always printed the same way. With a defined macro, report runs are unattended and always on time. ODBC compliance allows third-party database and custom report-writer applications access to the Yardi data files, giving you complete reporting control of your data.



Customize the look of standard reports with the click of a button to export to Excel, Word, or CSV and RTF formats. The available HTML export is great for Web posting and e-mailing.

ONTACT & TASK MANAGEMENT

Yardi's contact management features keep you on top of your most pressing items to make sure you never miss another critical deadline or date. You can create and attach memos to any record or transaction, and the memo function provides 30 user definable types of memos for the utmost control over important events. The built in calendar can be set up to display all action items and reminders immediately upon logging onto the system, or memo reports can be run at any time for any period. In addition to scheduling future events, the memo function can be used to record every contact you make with a current or potential tenant. To further enhance contact management efforts, important documents and files can be 'paper clipped' to any record or transaction. In addition to the variety of image file formats, Word and Excel files are all easily attached with the paperclip icon on the tool bar.



Selecting the 'memo' icon pops up the memo pad for the current record or transaction. A click on your calendar will let you see all memos with required actions for the day.

ELP ALONG THE WAY

An extensive help system is included so that your staff's questions are quickly answered. The on-line help system includes the entire user manual and is context sensitive with additional helpful links. No matter where you are in the system, definitions can be obtained for any item on the screen, and "how to" information is provided for the procedural task at hand. The entire help system is searchable by keyword or topic and bookmarks can be established for streamlined future reference. Individual company procedures can be annotated within the help system to ensure your operations are carried out uniformly according to your company policies.

ATA SECURITY

We understand the value of your database information. Yardi systems offer tight security features that are easy to establish and offer maximum flexibility. Operational controls for each department and individual user are readily customized for your company's procedures with four levels of security: property, accounting period, menu/function, and form/field. All entries are tracked by date, time, and user.

SECTION 3

Job Descriptions/Ops Training Guide/Inspection Report

Airport Director - Duties and Responsibilities

The Airport Director is responsible for the safe and efficient daily management, supervision and development of the Airport.

He/She is responsible for compliance with rules, regulations, and policies affecting the Airport and Airport personnel, as issued by all pertinent authorities.

The Director may delegate such technical duties as circumstances require, but without relinquishing his or her personal responsibilities.

More specifically, his/her responsibilities include:

1. Establishment of any controls necessary to assure the economic operation of the Airport.

2. Administration of all concession and fixed base operators agreements.

3. Enforcement of Airport rules and regulations including noise abating rules and regulations.

4. Continual monitoring Airport personnel, methods, procedures, and facilities to improve Airport efficiency.

5. Direct the maintenance of the physical condition of the Airport facilities and grounds and any equipment in conformance with established standards of safety, efficiency, appearance, and identity.

6. Providing for Airport security, including the protection of the public, Airport personnel, and property.

7. Implement and maintain a readiness to handle emergencies, including Airport Emergency Procedures, and for providing medical aid as required.

8. Determining that all Airport employees and service contractors study and comply with established regulations regarding accident and emergency procedures.

9. Preparation of the annual operating budget for the Airport.

10. Establishment and maintenance of effective working relationships with Airport tenants and users.

11. Participation in the establishment of policies relative to tenant agreements and negotiations.

12. Liaison with state and federal agencies on Airport matters and aid programs.

13. Regular conferences with the District concerning the fulfillment of these duties and responsibilities.

DEPUTY DIRECTOR, BUSINESS DEVELOPMENT

General Job Description:

Key position responsible for implementation of airport business plan, marketing, contracts negotiation and compliance, DBE program, rates and fees policies, business development, community relations, grants, budgeting, etc. Responsible for professional and administrative work assisting with the management, personnel and administration of the airport in accordance with generally accepted business practices, rules, and regulations governing such and performs related duties as assigned. Work is performed under the general supervision of the Airport Director, freeing the Director to perform higher-level tasks. Duties are performed within the policies established by the Airport Owner and the Airport Director, but considerable independent judgment is required in making managerial level decisions.

Position Responsibilities:

- Develops, coordinates and implements plans and policies related to the routine administration of the airport.
- Liaison with new and existing tenants, operators, concessionaires, permittees, and business community.
- Insures compliance of all contracts, leases and permits.
- Supervises the day-to-day activities involving the finance and accounting functions of the airport.
- Coordinates special activities as required.
- Assists the Airport Director with airport planning and development including capital improvement projects, marketing strategies, budgeting, and development of data for various projects.
- Serves as liaison for the Airport in contacts with the FAA, state and local governmental agencies, and other civic, political and regulatory bodies.
- Advises the Airport Director of staffing and administrative needs.
- Serves as Airport Director in the absence of the Director.
- Prepares special reports and presentations as requested by the Airport Director.
- Coordinates, monitors and collects landing fees, and provides follow-up assistance.
- Serves as Project Manager and monitors various projects as assigned by the Airport Director.
- Represents the Airport at various trade shows and events.
- Provides public relations tours, investigates public complaints, and endeavors to promote community interest, awareness and good will.
- Other duties as assigned.

Deputy Director, Operations

General Definition:
Responsible for professional and administrative work assisting with the management and operation of the airport in accordance with legal requirements, rules, and regulations governing the use of airport facilities and performs related duties as assigned. Work is performed under the general supervision of the Airport Director, freeing the Airport Director to perform higher-level tasks. Duties are performed within the policies established by the Airport Owner and the Airport Director, but considerable independent judgment is required in making managerial level decisions.

Position Responsibilities:
Develops, coordinates, and implements plans and operating policies related to the routine operation of the airports, associated tenants, facilities, and functions.

Insures compliance of all the airfield with FAA certification criteria, FARs, and Advisory Circulars as well as with all state requirements.

Supervises the day-to-day activities involving the operations and maintenance of all the airport.

Coordinates special activities airside and landside.

Assists the Airport Director with airport planning and development including capital improvement projects, marketing strategies, budgeting, and development of data for various projects.

Serves as liaison for the Airport in contacts with the FAA, state and local governmental agencies, and other civic, political, and regulatory bodies.

Advises the Airport Director of operational, staffing, and administrative needs.

Serves as Airport Director in the absence of the Airport Director.

Prepares special reports and presentations as requested by the Airport Director.

Coordinates air carrier operations, monitors and collects landing fees, and provides follow-up assistance.

Maintains Airport Operations/Certification Manual, Airport Emergency Plan, Storm Water Prevention Plan, and Airport Safety/Security Plan.

Coordinates document revisions with all interested agencies and performs inspections for compliance.

Inspects all airport facilities regularly and directs corrective action as needed.

Acts as security coordinator during operations requiring FAR Part 107 compliance.

Serves as emergency response coordinator and investigates and reports all incidents/accidents occurring on airport property.

Issues NOTAMs as needed.

Provides airfield driving and safety training for staff and maintenance personnel.

Serves as Airport Director and monitors various projects as assigned by the Airport Director.

Represents the Airport at various trade shows and events.

Provides public relations tours, investigates public complaints, and endeavors to promote community interest, awareness, and good will.

Other duties as assigned.

OPERATIONS SUPERVISOR

General Job Description:

Responsible for the performance of the Operations Department and Airport Operations activities on an assigned shift.

Position Responsibilities:

- Supervise Airport operations personnel.
- Make inspections and maintain a record of all aeronautical areas, including pavement, markings, lighting, safety areas, bird/wildlife activity, construction, emergency equipment, and fueling practices.
- Monitor the operation of the Airport and resolve any operational difficulties with the assistance of operations service contract personnel.
- Identify and resolve any hazard to Airport operation.
- Responsible for snow removal and ARFF on his or her assignment shift.
- Maintain records of aircraft activities during his or her assignment shift.
- Represent the Airport Director in routine operational matters.
- Supervise and coordinate any contract services that relate to airport operation.
- Coordinate construction and maintenance on or near the air activity areas to insure minimum interference with the airport operation.
- Monitor, to extent possible, noise abatement practices of aircraft utilizing the Airport to insure compliance with the existing requirements.

- **Qualifications Required:**

- Demonstrates supervisory capabilities.
- At least two (2) years college with no less than three (3) years experience in an airport or related aviation operation.
- College graduate preferred.
- A knowledge of and experience in general aviation is desired.
- Through in-house training, must be able to qualify for the following: Operation of ARFF equipment, performance of airport related first aid, snow removal technique, and operation of snow removal equipment.
- Valid New Jersey State Driver's License.

OPERATIONS OFFICERS

- **General Job Description:**

- Responsible for assuring that the Airport is operating in accordance with established rules and regulations.

- **Position Responsibilities:**

- Assures that the Airport is operated in a safe and secure manner and in the best interests of the public.
- Maintain constant awareness of all facilities on the Airport grounds, involving the various tenants, fixed base operators and the general public.
- Assures that the Airport is operated in accordance with all established rules, regulations and criteria of Federal, local governments and other policies.
- Make periodic inspections of all operational areas to make certain these facilities are in save and operational condition.
- Responsible for policing and inspecting all ground transportation in accordance with Airport rules and regulations.
- Prepare and maintain a daily runway and facility inspection schedule. Prepare field condition reports and daily activity and incident reports.
- Monitors and recording arrival of flights and charters.
- Maintain current emergency procedures and coordinate activities of supporting agencies.
- Maintain constant awareness of tenants problems and requirements.
- Performs related work as required.

Qualifications Required:

- High School graduate or completion of G.E.D., supplemented by college level courses in Airport Management. Experience in airport operations.
- Considerable knowledge of air terminal maintenance procedures and operations.
- Strong knowledge of the laws, rules and regulations effective which apply to the use of airport facilities.
- Considerable knowledge of the methods and procedures used in airport security operations.
- Ability to enforce rules and regulations in an impartial manner.
- Ability to establish and maintain effective working relationships with agencies and the general public.
- Ability to work without close supervision and to make independent judgements based on established policies.

DEPUTY DIRECTOR, MAINTENANCE

General Job Description:

Under moderate supervision, supervises and participates in Airport maintenance services. Will provide work analysis, determine maintenance requirements, plan workload and determine equipment and supply requirements.

Position Responsibilities:

- Supervise and assist employees involved in the various aspect of Airport maintenance.
- Determine maintenance requirements, plan workload and determine equipment and supply requirements for Airport maintenance unit.
- Inspect airfield areas for conformance with FAA compliance requirements.
- Maintain workload data records and simple work order system.
- Operate airfield radio equipment.
- Attend staff meetings.
- Evaluate and appraise performance of subordinate employees, prepare annual performance appraisals.
- Perform such other related tasks as may be assigned or required.

MAINTENANCE TECHNICIANS

General Job Description:

Perform maintenance on Airport buildings and facilities and other related work as required. Perform mechanical maintenance of Airport facilities, including roads and grounds, carpentry, plumbing repairs and minor electrical repairs. This work is performed under the direction of the Maintenance Director.

Position Responsibilities:

- Inspect buildings and facilities to determine repairs required for short and long term maintenance plans as directed by Maintenance Supervisor.
- Assist the painter and electrician as needed.
- Repair doors, locks, door closures, etc.
- Perform small carpentry jobs to include repairs and new projects.
- Perform snow removal functions.
- Assist in major grounds maintenance programs.
- Make plumbing repairs as needed.
- Must be able to make minor repairs and adjustments on heating and air conditioning equipment.

Qualifications Required:

- Working knowledge of the tools, materials equipment employed in the maintenance, repair and custodial care of large buildings and appurtenant equipment.
- Must possess at least a basic knowledge of carpentry, plumbing, electrical and grounds maintenance.
- Ability to get along with the public dependability and good physical condition.
- Must possess a valid Driver's License with an insurable record.
- Completion of a standard high school course or any equivalent combination of experience and training, which provides the required knowledge, skills and abilities.

ACCOUNTING SUPERVISOR

General Job Description:

Under the direction of the Assistant / Operations Manager, provides a complete range of financial services and programs and directs the employees of the Accounting Section in performance of staff functions. This is high level professional accounting and supervisory work involving matters, which significantly affect the Airport's fiscal affairs.

Position Responsibilities:

- Supervises, directs and participates in the developing and maintaining of financial systems providing records of assets, liabilities and accounting transactions and providing all necessary reports relating to the fiscal condition of the Airport Authority.
- Directs, administers and monitors all financial activities of the accounting section including purchasing, inventory, fixed assets, labor distribution, accounts receivable, financial reporting, general accounting, and budget administration.
- Administers contract payment system and ensures compliance with terms and conditions of all contracts.
- Administers and develops systems for providing the Airport with detailed cost data and provides reports and analyses for management decisions relating to rates and charges and terms and conditions of agreements.
- Develops and maintains budgeting systems, which provide control of expenditures for efficiency at the Airport. Prepares reports and advises management of matters concerning effective use of resources.
- Supervises and directs the purchasing, inventory and stores functions for the Airport.
- Supervises and participates in auditing concessionaire contracts, requisitions, vouchers and writes reports which substantiate individual transactions and contracts.
- Reviews internal controls of existing and new Airport financial functions and issues reports as to the adequacy of said controls.
- Supervises the development of special accounting systems and related procedures where standard procedures cannot be used. Devises forms and prepares manuals required to guide activities of personnel maintaining the systems.
- Participates and may chair special Airport projects and committee assignments associates with financial services.
- Performs other related duties as required.

APPENDIX

"A"

TRAINING GUIDE

American Airports Corporation

American Airports Technologies LLC

I. Part 139 - Certification & Operations: Land Airports Serving Certain Air Carriers	Knowledge/ Skill	Date Started	Date Completed	Trainer Initials

[illegible]

	Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Definitions				
B. General Regulations				
C. Personal Conduct				
D. Fire and Safety				
E. Aeronautical Activities				
F. Vehicles				
G. Licensing				
H. Taxicabs, Limousines, Buses & Motor Vehicles				
I. Courtesy Vehicles				
J. Charges				

[illegible]

	Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Inspection Authority				
B. Personnel				
C. Utilities Interruptions				
D. Paved Areas				
E. Unpaved areas				
F. Safety areas				
G. Marking & Lighting				
H. Aircraft Rescue & Firefighting				
I. Handling & Storage of hazardous Substances and Materials				
J. Traffic & Wind Direction Indicators				
K. Airport Emergency Plan				
L. Airport Self-inspection Program				
M. Ground Vehicles				
N. Obstructions				
O. Protection of Navaids				
P. Public Protection				
Q. Wildlife Management Program				

[illegible]

	Skill	Started	Completed	Initials
S. Airport Condition Reporting				
T. Identifying, Marking & Reporting Construction & Other Undriveable Areas				
U. Noncomplying Conditions				

[redacted]

	Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Airport Security Manual				
B. Airport Police Division				
C. Contract Security/Screening				
D. Perimeter Security				
1. Fence				
2. Signage				
3. Gates				
4. Locks				
E. Unauthorized persons/vehicles				
F. Tenant Responsibility				

[redacted]

	Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Inventory				
1. Personnel				
2. Equipment				
B. Off-Airport Assistance				
C. Hijack and Sabotage				
D. Structural Fires				
E. Civil Disturbance				
F. Natural Disasters				
G. Radiological				

[redacted]

	Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Airport Use Agreements (Airlines)				
1. Signatory				

[redacted]

Skill	Started	Completed	Initials
2. Non-Signatory				
B. Car Rental				
1. Concession Agreement				
2. Airport Service Facility Agreement				
C. Concessionaire Agreement				
D. Concession Agreement (Parking)				
E. Miscellaneous				
1. Smart Cart - Locker - ATM				
F. Ground Transportation Service				
1. Taxicabs				
2. Limousines				
3. Charter Buses				
G. Land Agreements				
1. Airside				
2. Landside				

[redacted]

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Aircraft Incident/Accident				
B. Commercial Operations				
C. Fuel/Chemical Spill				
D. General Liability Loss				
1. Public				
E. Inspection Logs				
F. Property Loss				
1. Public				
G. Maintenance Workorders				
H. Memorandums				
I. Noise Complaints				
J. NOTAMs				
K. Operations Logs				
L. Public/Tenant Complaints				
M. Wildlife Control Log				

[redacted]

[redacted]

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Alerts			
1. I			
2. II			
3. III			
4. Medical Assistance			
B. Off Airport			
1. Crashes			
2. Miscellaneous Complaints			
3. Mutual Aid Response			

[redacted]

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Airfield			
B. Terminal			
C. Ground Vehicles			
D. Landside			

[redacted]

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Airport Police Division			
B. Crash Fire Rescue			
C. Facilities			

[redacted]

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. VIP's			
B. News Media			
C. Tours			
D. Special Groups			

[redacted]

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Vehicle Operations			
B. Communications Procedures			
C. Communication Equipment			
D. Weapons			
E. Cameras			

[redacted]

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. General			
B. Sky Conditions			
C. Visibility			
D. Atmospheric Phenomena			
E. Temperature & Dew Point			
F. Wind			
G. Pressure			

[redacted]

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Airport Familiarization			
B. Responsibilities			
C. Tenants			
1. Fixed Base Operators			
2. FAA Control Tower			
D. Airport Fire Station (ARFF)			
E. Miscellaneous			
1. Military Operations			
F. Airfield Status			
G. Weather Alerting			
H. Commercial Operators			

[redacted]

[redacted]

[redacted]

	Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. History				
B. Organization/Lines of Succession				
C. Job Descriptions				
1. Director of Airport Public Services				
2. Airport Operations Agent				
3. Airport Operations Intern				

[redacted]

	Knowledge/ Skill	Date Started	Date Completed	Trainer Initials
A. Geographic Boundaries/Area				
B. Terminal Complex				
1. Lower Level - Offices/Tenants/ Concessionaires				
2. Second Level - Offices/Tenants/ Concessionaires				
3. Federal Inspection Station				
a. US Customs				
b. US Agriculture				
c. US Immigrations & Naturalization				
4. Flight Information Display System				
5. Meet/Greet Airport Ambassadors				
6. Advertising				
C. Landside				
1. Ground Transportation				
a. Contract Taxi/Limousine				
b. Courtesy Vehicles				
c. Scheduled Buses				
d. Charter Buses				
e. Occasional Users				
f. Vendors/Contractors				

[redacted]

Skill	Learned	Completed	Initials

2. Car Rental Companies
   a. On Airport
   b. Off Airport
3. Parking Lot
   a. Locations
   b. Rates
4. Sky Cap Services

D. Terminal Apron
1. Control
2. Gate Assignment
3. Ground Support Equipment
4. Placement
5. Lighting
6. General Aviation Activity
7. Maintenance

E. Airfield/Air Operations Area
1. Runway
2. TaxiWays
3. Navaids
4. Obstructions
5. Air Traffic Control Tower
6. Crash Fire Rescue Station (ARFF)
7. Facilities Building
8. Fuel Farm
9. Miscellaneous Buildings
   a. Emergency Generators
   b. Chiller Building

Section 01 [redacted]

Knowledge/ Skill	Date Learned	Date Completed	Trainer Initials

A. Part 1 - Definitions & Abbreviations
B. Part 77 - Objects Affecting Navigable Airspace
C. Part 91 - General Operating& Flight Rules
D. Part 107 - Airport Security
E. Part 108 - Airplane Operator Security
F. Part 121 - Certification & Operations: Domestic, Flag & supplemental Air Carriers & Commercial Operators of Large Aircraft
G. Part 129 - Operations of Foreign Air Carriers
H. Part 135 - Air Taxi Operators & Commercial Carriers

[redacted]

A. Airline Schedules
B. Security Coordinator
C. Construction Coordinator
D. Part 139 Currency Training
E. Wildlife Control
F. AOA Drivers Training
G. Technical Library
H. Ramp/Gate Control
I. Complaints
J. Safety (All Airport Personnel)
K. Environmental
L. NOTAM Control
M. Emergency Operations
N. AOA Vehicle Permits
O. SIDA Training

Knowledge/ Skill	Date Started	Date Completed	Trainer Initials

[redacted]

American Airports Corporation
American Airports Technologies LLC

Daily Airfield Inspection Report

ATE	TIME	√ SATISFACTORY X DISCREPANCY
CTOR		

	√	CORRECTIVE ACTION TAKEN	REMARKS
AIRFIELD LIGHTING:			
1. Runway Edge Lighting	√		
2. Threshold Lights	√		
3. Taxiway Lights	√		
4. Guidance Signs	√		
5. REIL	√		
6. VASI/PAPI	√		
7. Approach Lights	√		
8. MALSR	√		
9. Rotating Beacon	√		
10. Wind Sock	√		
11. Obstruction Lights	√		
12. Fuel Storage Area	√		
13. Apron Edge Lights	√		
14. Security Lights	√		
PAVEMENT AREAS:			
1. Pavement lip over 3"	√		
2. Hole 5" diam., 3" deep	√		
3. Cracks/Spalling/Bumps	√		
4. FOD	√		
5. Vegetation Growth	√		
6. Low Spots	√		
SAFETY AREA:			
Runways	√		
Taxiways	√		
PAVEMENT MARKINGS:			
1. Runways	√		
2. Taxiways	√		
3. Ramps	√		
OTHER:			
1. Construction Area	√		
2. AOA Fencing/Gates/Signs	√		
3. Wildlife Hazards	√		
4. Braking Action	√		
5. Snow & Ice	√		
6. NAVAID Security	√		
7. Fueling Operations	√		

OMMENTS:

SECTION 4

Aviation Demand Forecasts

TABLE I-2

AVIATION DEMAND FORECASTS
LARGE AIR CARRIERS

FISCAL YEARS 2000-2011

AVIATION ACTIVITY	HISTORICAL			FORECAST			PERCENT AVERAGE ANNUAL GROWTH				
	1990	1998	1999	2000	2001	2011	90-99	98-99	99-00	00-01	99-11
U. S./Foreign Flag Carriers											
Total Passengers to/from											
United States (Millions)	84.2	126.6	132.0	137.6	143.4	239.4	5.1	4.2	4.2	4.3	5.1
Atlantic	29.0	46.6	48.9	51.0	53.1	81.3	6.0	5.0	4.3	4.2	4.3
Latin America	26.3	37.6	39.2	40.9	42.7	79.4	4.5	4.2	4.5	4.3	6.1
Pacific	15.1	23.4	24.1	25.2	26.4	48.4	5.3	3.0	4.5	5.0	6.0
Canadian Transborder	13.7	19.1	19.8	20.5	21.2	30.3	4.1	3.7	3.4	3.4	3.6
U.S. Air Carriers											
Enplanements (Millions)											
Domestic	424.1	555.0	576.1	594.8	612.5	880.1	3.5	3.8	3.2	3.0	3.6
International	41.3	53.1	53.3	55.6	58.1	101.7	2.9	0.3	4.4	4.5	5.5
Atlantic	16.1	18.0	19.1	20.0	20.9	32.2	1.9	6.0	4.8	4.5	4.4
Latin America	13.0	21.0	21.9	22.9	23.9	44.4	5.9	4.2	4.5	4.3	6.1
Pacific	12.2	14.1	12.3	12.7	13.3	25.1	0.1	(12.8)	3.6	4.7	6.1
System	465.4	608.1	629.4	650.4	670.6	981.8	3.4	3.5	3.3	3.1	3.8
RPMs (Billions)											
Domestic	339.1	451.5	473.1	492.0	509.7	767.6	3.8	4.8	4.0	3.6	4.1
International	115.1	163.3	169.7	178.7	188.3	334.3	4.4	4.0	5.3	5.4	5.8
Atlantic	53.7	74.6	79.6	83.8	87.9	139.2	4.5	6.7	5.3	4.9	4.8
Latin America	16.0	32.0	34.1	36.1	38.0	73.5	8.8	6.5	5.8	5.3	6.6
Pacific	45.4	56.7	56.1	58.8	62.4	121.6	2.4	(1.1)	4.9	6.1	6.7
System	454.2	614.8	642.8	670.7	698.0	1,101.9	3.9	4.6	4.3	4.1	4.6
Cargo RTMs (Billions)											
Domestic	9.0	13.8	13.9	14.6	15.3	25.4	5.5	0.3	5.1	5.0	5.2
International	7.3	14.5	14.1	15.1	16.3	30.2	8.6	(3.0)	7.2	7.8	6.6
System	16.3	28.4	28.0	29.7	31.6	55.6	7.0	(1.4)	6.2	6.4	5.9
Fleet (Large Jets Only)	4,244	5,132	5,325	5,401	5,582	8,031	2.9	3.8	1.4	3.4	3.5
Passenger	3,714	4,165	4,312	4,355	4,484	6,400	1.9	3.5	1.0	3.0	3.3
Cargo	530	967	1,013	1,046	1,098	1,631	8.4	4.8	3.3	5.0	4.0
Hours Flown (Millions)*	10.5	13.1	13.6	13.9	14.4	21.8	3.2	3.2	2.9	3.5	4.0

Source: 1990-99; U.S. Air Carriers, Form 41, U. S. Department of Transportation; Total Passengers, INS Form I-92, U.S. Department of Commerce
2000-2011; FAA Forecasts

* Includes both passenger (excluding regional jets) and cargo aircraft.

TABLE I-3

AVIATION DEMAND FORECASTS
REGIONALS/COMMUTERS AND GENERAL AVIATION

FISCAL YEARS 2000-2011

AVIATION ACTIVITY	HISTORICAL			FORECAST			PERCENT AVERAGE ANNUAL GROWTH				
	1990	1998	1999	2000	2001	2011	90-99	98-99	99-00	00-01	99-11
REGIONAL/COMMUTERS											
Enplanements (Millions)	37.7	64.6	72.4	78.2	83.1	137.5	8.5	12.0	8.1	6.3	5.5
298-C Carriers	33.1	34.3	35.0	37.7	39.9	64.6	0.7	2.2	7.6	5.9	5.2
Form 41 Carriers	4.7	30.3	37.3	40.5	43.2	72.9	29.7	23.1	8.6	6.6	5.7
RPMs (Billions)	6.8	15.7	18.8	21.1	23.1	44.6	13.6	19.7	12.2	9.1	7.4
298-C Carriers	5.8	8.5	9.3	10.4	11.3	20.9	6.1	9.1	11.4	8.6	7.0
Form 41 Carriers	1.0	7.2	9.5	10.8	11.8	23.7	32.8	32.2	13.0	9.6	7.9
Fleet (As of December 31)	1,896	2,117	2,237	2,342	2,457	3,186	2.1	5.7	4.7	4.9	3.0
Turboprops	1,896	1,914	1,894	1,873	1,847	1,640	(0.0)	(1.0)	(1.1)	(1.4)	(1.2)
Jets	0	203	343	469	610	1,546	NA	69.0	36.7	30.1	13.4
Hours Flown (000)	3,004	3,590	3,718	3,861	3,944	5,302	2.7	3.6	3.8	2.1	3.0
GENERAL AVIATION											
Active Fleet (000)	196.9	204.7	206.5	208.7	210.8	231.0	0.6	0.9	1.0	1.0	0.9
Pistons	175.2	163.0	164.0	165.2	166.4	177.2	(0.8)	0.6	0.7	0.7	0.6
Turboprops/Turbojets	9.4	12.2	12.7	13.2	13.7	18.5	3.8	3.3	4.0	3.9	3.2
Rotorcraft	6.9	7.4	7.6	7.7	7.9	9.0	1.2	2.2	2.0	1.9	1.5
Hours Flown (Millions)	30.8	28.1	29.8	30.4	31.1	38.8	(0.4)	5.9	2.2	2.3	2.2
Pistons	25.8	20.4	21.7	22.0	22.3	26.0	(2.1)	6.4	1.2	1.5	1.5
Turboprops/Turbojets	3.7	4.0	4.3	4.6	4.8	7.9	1.7	6.6	6.9	6.2	5.3
Rotorcraft	2.2	2.3	2.4	2.5	2.5	3.2	1.1	2.8	2.7	2.6	2.5
Total Active Pilots (000)	700.0	618.3	640.1	650.4	668.4	824.5	(1.1)	3.5	1.6	2.8	2.1
Instrument Rated Pilots (000)	282.8	300.2	309.0	315.1	321.4	378.4	1.1	2.9	2.0	2.0	1.7

Source: 1990-99; Forms 298-C and 41, U.S. Department of Transportation
2000-2011; FAA Forecasts

TABLE I-5

AVIATION ACTIVITY FORECASTS
FAA FACILITIES

FISCAL YEARS 2000-2011

ACTIVITY FORECASTS (In Millions)	HISTORICAL			FORECAST			PERCENT AVERAGE ANNUAL GROWTH				
	1990	1998	1999	2000	2001	2011	90-99	98-99	99-00	00-01	99-11
AIRCRAFT OPERATIONS											
Air Carrier	12.9	14.1	14.4	14.7	15.2	20.1	1.3	2.3	2.1	3.1	2.8
Commuter/Air Taxi	8.8	8.9	9.3	9.4	9.6	12.4	0.6	4.4	0.9	2.0	2.4
General Aviation	39.2	27.9	29.1	28.1	28.7	34.0	(3.2)	4.4	(3.5)	1.8	1.3
Itinerant GA	22.5	16.8	17.4	16.9	17.3	20.7	(2.8)	3.5	(2.9)	1.9	1.4
Local GA	16.7	11.1	11.7	11.2	11.4	13.4	(3.9)	5.6	(4.3)	1.7	1.1
Military	2.8	2.0	2.2	2.2	2.2	2.2	(2.7)	7.6	0.0	0.0	0.0
Itinerant MIL	1.4	1.1	1.1	1.1	1.1	1.1	(2.7)	6.4	0.0	0.0	0.0
Local MIL	1.4	1.0	1.1	1.1	1.1	1.1	(2.8)	8.9	0.0	0.0	0.0
TOTAL	63.7	53.0	55.1	54.5	55.6	68.8	(1.6)	3.9	(1.1)	2.1	1.9
INSTRUMENT OPERATIONS											
Air Carrier	14.0	15.3	15.7	16.1	16.6	22.0	1.3	2.8	2.4	3.1	2.8
Commuter/Air Taxi	9.4	10.9	11.3	11.5	11.8	15.2	2.1	3.2	2.3	2.0	2.5
General Aviation	19.1	19.7	20.6	21.0	21.4	25.9	0.9	4.9	1.7	2.0	1.9
Military	4.4	3.4	3.5	3.5	3.5	3.5	(2.7)	2.6	0.0	0.0	0.0
TOTAL	46.9	49.3	51.1	52.1	53.2	66.6	1.0	3.7	1.9	2.2	2.2
IFR AIRCRAFT HANDLED											
Air Carrier	18.5	23.2	24.0	24.7	25.4	33.7	3.0	3.5	2.6	3.1	2.8
Commuter/Air Taxi	5.7	7.1	7.7	7.9	8.1	10.5	3.5	8.4	2.7	2.0	2.6
General Aviation	7.8	8.6	8.8	9.0	9.2	11.2	1.3	1.9	1.9	2.1	2.0
Military	5.5	4.2	4.1	4.1	4.1	4.1	(3.3)	(2.9)	0.0	0.0	0.0
TOTAL	37.5	43.2	44.7	45.7	46.8	59.4	2.0	3.4	2.2	2.4	2.4
FLIGHT SERVICES											
Pilot Briefs	11.8	8.7	8.3	8.2	8.1	7.6	(3.8)	(5.0)	(1.2)	(1.0)	(0.7)
Flight Plans Originated	7.3	6.5	6.3	6.3	6.4	6.8	(1.7)	(3.7)	1.3	0.8	0.6
Aircraft Contacted	6.3	3.5	3.3	3.3	3.2	2.7	(6.9)	(4.3)	(1.7)	(1.7)	(1.7)
TOTAL	44.5	33.9	32.4	32.3	32.2	31.4	(3.5)	(4.4)	(0.3)	(0.4)	(0.3)
DUATS	2.9	12.9	13.4	13.7	14.2	18.6	18.5	4.0	2.6	3.8	2.8
TOTAL (w/DUATS)	47.4	46.8	45.8	46.0	46.5	50.0	(0.4)	(2.1)	0.6	0.9	0.7

Source: FY 1990-2011, FAA Data and Forecasts

TABLE I-4

AVIATION ACTIVITY FORECASTS
COMBINED FAA AND CONTRACT TOWERS

FISCAL YEARS 2000-2011

ACTIVITY MEASURES (In Millions)	HISTORICAL			FORECAST			PERCENT AVERAGE ANNUAL GROWTH				
	1990	1998	1999	2000	2001	2011	90-99	98-99	99-00	00-01	99-11
NUMBER OF TOWERS											
FAA Towers	402	287	288	266	266	266					
FAA Contract Towers	25	161	166	188	188	188					
TOTAL	427	448	454	454	454	454					
AIRCRAFT OPERATIONS											
Air Carrier	12.9	14.3	14.6	15.0	15.4	20.4	1.6	2.3	2.6	3.1	2.8
Commuter/Air Taxi	9.0	10.2	10.6	10.9	11.1	14.4	2.1	4.0	2.7	2.0	2.6
General Aviation	38.1	38.0	40.0	40.7	41.4	49.2	0.6	5.2	1.6	1.8	1.7
Itinerant GA	20.8	22.1	23.0	23.4	23.9	28.4	1.3	4.3	1.6	1.8	1.8
Local GA	17.2	16.0	17.0	17.3	17.6	20.8	(0.2)	6.5	1.6	1.8	1.7
Military	2.9	2.8	3.0	3.0	3.0	3.0	0.3	6.1	0.0	0.0	0.0
Itinerant MIL	1.5	1.4	1.4	1.4	1.4	1.4	(0.2)	6.4	0.0	0.0	0.0
Local MIL	1.4	1.4	1.5	1.5	1.5	1.5	0.7	5.7	0.0	0.0	0.0
TOTAL	62.8	65.3	68.2	69.5	70.9	86.9	1.0	4.4	1.9	2.0	2.0
INSTRUMENT OPERATIONS											
Air Carrier	14.0	15.4	15.8	16.2	16.7	22.2	1.5	2.8	2.6	3.1	2.8
Commuter/Air Taxi	9.5	11.2	11.6	11.9	12.1	15.7	2.6	3.3	2.7	2.0	2.6
General Aviation	19.2	19.9	20.9	21.3	21.7	26.2	1.0	4.9	1.8	2.0	1.9
Military	4.4	3.4	3.5	3.5	3.5	3.5	(2.8)	2.6	(0.0)	0.0	(0.0)
TOTAL	47.1	50.0	51.8	52.9	54.1	67.6	1.2	3.7	2.1	2.2	2.2

Source: FY 1990-2011, FAA Data and Forecasts

TABLE 7

BASELINE U.S. AIR CARRIER FORECAST ASSUMPTIONS

DOMESTIC OPERATIONS

FISCAL YEAR	AVERAGE SEATS PER AIRCRAFT (Seats)	AVERAGE PASSENGER TRIP LENGTH (Miles)	REVENUE PER PASSENGER MILE		AVERAGE JET FUEL PRICE	
			CURRENT $ (Cents)	FY 1999 $ (Cents)	CURRENT $ (Cents)	FY 1999 $ (Cents)
Historical*						
1994	146.6	786.7	13.37	14.99	54.7	61.3
1995	143.4	791.0	13.31	14.51	54.1	58.9
1996	141.8	798.6	13.86	14.69	61.2	64.9
1997	142.5	812.0	13.72	14.18	65.7	67.9
1998	142.1	813.5	14.17	14.45	53.5	54.5
1999E	141.3	821.1	13.97	13.97	48.5	48.5
Forecast						
2000	142.4	827.1	13.88	13.52	60.1	58.5
2001	142.8	832.1	13.76	13.08	50.6	48.2
2002	143.0	836.1	13.66	12.67	51.6	47.9
2003	143.1	840.1	13.59	12.29	52.7	47.7
2004	143.2	844.1	13.90	12.25	53.8	47.4
2005	143.3	848.1	14.22	12.21	54.9	47.1
2006	143.8	852.1	14.55	12.18	56.0	46.9
2007	144.7	856.1	14.88	12.14	57.2	46.7
2008	145.7	860.1	15.23	12.11	58.4	46.4
2009	146.7	864.1	15.58	12.07	59.6	46.2
2010	147.7	868.1	15.93	12.04	60.8	46.0
2011	148.7	872.1	16.30	12.00	62.1	45.7

* Source: Form 41, U.S. Department of Transportation.

SECTION 5

Aviation Trends Information

CAPACITY

The performance of the airport system is affected by many factors, including the layout of individual airports, the manner in which airspace is organized and used, operating procedures, and application of technology.

A major concern in airport system planning is the adequacy of runways to handle anticipated aircraft operations. If air traffic demand exceeds runway capacity, air traffic is delayed, causing expense to airlines, inconvenience to passengers, and increased workload for the FAA air traffic control system.

Most airports are uncongested because they serve small communities and a single runway is able to handle over 200,000 operations annually, which is approximately the amount of activity that would be generated by a city with 350,000 inhabitants. More runways are one means to provide more capacity. Other means are described in the section of this report on noncapital alternatives. As traffic increases, it can also be divided among airports within a system. Reliever airports are developed to serve general aviation, allowing commercial service airports to concentrate on air carrier operations.

When a city becomes so large that it generates more than 10 to 12 million originating passengers per year, a second commercial service airport may be warranted. There are few cities this large: London, Paris, and Tokyo fit the example, as well as New York, Los Angeles, San Francisco, Chicago, Miami, and Washington in the United States.

The concentration of traffic at an airport can result in congestion and delay. Delay is defined as the difference between the time an operation actually takes and the time that it would have taken under uncongested conditions without interference from other aircraft. Delay is reported in a number of ways. Air traffic controllers identify instances where aircraft are delayed 15 minutes or more in a given flight segment, and this information is used by the FAA to monitor the day-to-day operation of the air traffic control system. The number of airline arrivals and departures that are delayed 15 minutes or more is compiled by the Department of Transportation for busy airports and is reported regularly as information for consumers. Airport planners and designers use the average delay per aircraft operation as a measure of congestion. This measure is directly related to demand and capacity, it can be forecast, and it can be translated into a dollar cost of delay.

Experience shows that delay increases gradually with rising levels of traffic until the practical capacity of an airport is reached, at which point the average delay per aircraft operation is in the range of 3 to 5 minutes. Delays increase rapidly once traffic demand increases beyond this level. An airport is considered to be congested when average delay exceeds 5 minutes per operation. Beyond this point delays are extremely volatile, and a small increase in traffic, adverse weather conditions, or other disruptions can result in lengthy delays that upset flight schedules and impose a heavy workload on the air traffic control system.

There were 13 airports with average delay in excess of 5 minutes per operation that accounted for most of the severe air traffic delays in the United States during 1997.

Airports with Average Delay In Excess of 5 Minutes Per Operation In 1997

✈ Newark International
✈ Atlanta Hartsfield
✈ LaGuardia
✈ Philadelphia International
✈ Dallas-Fort Worth International
✈ Detroit Metropolitan
✈ St. Louis International
✈ Minneapolis-Saint Paul International
✈ John F. Kennedy International
✈ Boston Logan
✈ Cincinnati-Hopkins International
✈ Chicago O'Hare International
✈ San Francisco International

Table 2 Congested Airports

The trend toward greater air traffic delays was temporarily arrested from 1991 through 1995, in part through measures like the construction of new runways and more efficient use of existing capacity. However, in 1996, air traffic delays rose again, apparently due to the introduction of new separation standards which increased the distance between certain types of aircraft. A more gradual increase in delays is expected in the future, and major airfield improvements together with enhanced technology are planned to help mitigate those delays.

ALTERNATIVE MEASURES

The construction of new runways is not the only response to airfield congestion. The continued application of certain measures, termed alternative measures, will help to limit delay without substantial investment.

Delays can be reduced, in part, by modifying air traffic control procedures to improve the flow of aircraft en route and in the terminal area. The FAA is developing more flexible en route procedures. Long-term goals for operational procedures focus on free flight, in which air traffic controllers will intervene only to prevent conflicts. The FAA is

developing new instrument approach procedures that will enhance runway capacity during adverse weather. A new safety and capacity program is expected to facilitate aircraft taxiing in very low visibility weather conditions.

Over the next two decades, the FAA expects additional enhancements due to advances in technology related to automation; information systems; communications, navigation, and surveillance; and weather.

Redistribution of traffic among airports to make more efficient use of facilities is another measure that can be used to reduce delays. Reliever airports have been developed in metropolitan areas to give general aviation pilots an attractive alternative to using congested commercial service airports. Large cities usually have a system of reliever airports, one or more of which can accommodate corporate jet aircraft and others designed exclusively for use by smaller, propeller-driven aircraft. Relievers have been very successful at relocating general aviation activity from congested airports. As a result, general aviation activity at congested airports is a small percentage of total operations (3.9 percent of the operations at O'Hare, 2.9 percent of the operations at Atlanta Hartsfield, and 5.8 percent of the operations at LaGuardia Airport) while general aviation activity at all other airports with airport traffic control towers accounts for nearly 60 percent of the operations. Thirty-one percent of the general aviation aircraft in the United States are based at the 334 reliever airports.

The concept of relocating passenger transfer operations from congested hub airports in Chicago, Atlanta, Dallas, and other metropolitan areas to remote airports has also been considered. However, it appears that passenger transfer operations are most efficiently located at airports that generate a considerable amount of origin and destination traffic, and this only occurs in or near metropolitan areas. The FAA has discussed this subject with representatives of several major airlines and has concluded that they will continue to locate their hub operations as close as possible to large population centers rather than in rural, sparsely populated areas.

Airline scheduling practices tend to limit the level to which delays are likely to rise, particularly at transfer hub airports. Air carriers are willing to tolerate a certain amount of congestion, but when delays become excessive and the reliability of connections declines, carriers are likely to consolidate schedules and may relocate some operations to other airports. The level of congestion at hub airports is often determined primarily by the dominant airline. In 1998 the Department of Transportation began a study of how airport practices affect competition among air carriers. A major focus of the study is to examine airport operations and airline competition at congested hub airports. The purpose of the study is to give departmental officials a better understanding of these issues.

Another factor that helps to limit delay is the ability of carriers to introduce service to outlying, suburban airports, using them to relieve congestion at the principal airport.

A measure that provided great increases in runway efficiency in the past was the use of larger aircraft, particularly at congested airports, in order to move more passengers per operation. Between 1972 and 1995, there was a 114-percent increase in the average number of passengers per aircraft operation nationwide, and a 92-percent increase at large hub airports (Table 3). Greater use of aircraft with increased size and weight may be limited by the design of many airports. The distance between adjacent taxiways and runways and the layout of terminal buildings can limit wingspans and fuselage lengths, and the strength of pavement and underlying structures, such as bridges and culverts, may limit aircraft weight. Because of these factors, future increases in aircraft size may be more gradual and more expensive to accommodate, particularly at older and more congested airports.

Activity at Large Hub Airports

Calendar Year	Enplaned Passengers	Air Carrier Departures	Large Hubs - Passengers/ Departure	National Average - Passengers/ Departure
1972	124,497,086	2,581,972	48.2	38.0
1975	131,277,693	2,472,756	53.1	42.5
1980	197,679,376	2,887,239	68.5	55.7
1985	264,507,144	3,439,446	76.9	66.9
1990	325,150,414	3,887,651	83.7	72.0
1995	393,110,251	4,245,508	92.6	81.2
1997	439,556,180	4,540,627	96.8	85.6

Table 3 Activity at Large Hub Airports

Another measure is the redistribution of traffic to smooth out peaks that occur because of traveler preferences for morning and evening flights. Schedules tend to peak sharply at an uncongested airport, but this is reduced as traffic increases and more frequent service fills in the non-peak hours. A few very busy airports have about the same number of flights scheduled during each of the daylight and evening hours.

Peak and off-peak pricing could be used to redistribute some portion of the peak traffic loads that occur because of travelers' preference for morning and evening flights. While it is not practical to expect to eliminate peaking entirely, certain busy airports might reduce delays and improve efficiency by applying properly structured peak pricing, which is not unjustly discriminatory and provides an economic incentive for the users of the airport to spread demand more evenly over the airport's normal operating hours. Congestion pricing is not a substitute for necessary airport capacity improvements, but in certain cases it might encourage more efficient use of existing airport capacity.

remained unchanged; the airport system should have the following attributes to meet the demand for air transportation:

- Airports should be safe and efficient; located at optimum sites; and developed and maintained to appropriate standards.
- Airports should be affordable to both users and Government, relying primarily on user fees and placing minimal burden on the general revenues of local, state, and Federal Government.
- Airports should be flexible and expandable, able to meet increased demand and to accommodate new aircraft types.
- Airports should be permanent, with assurance that they will remain open for aeronautical use over the long term.
- Airports should be compatible with surrounding communities, maintaining a balance between the needs of aviation and the requirements of residents of neighboring areas.
- Airports should be developed in concert with improvements to the air traffic control system.
- The airport system should support national objectives for defense, emergency readiness, and postal delivery.
- The airport system should be extensive, providing as many people as possible with convenient access to air transportation, typically not more than 20 miles travel to the nearest NPIAS airport.
- The airport system should help air transportation contribute to a productive national economy and international competitiveness.

In addition to these guiding principles, specific to airport development, a guiding principle for Federal infrastructure investment in general, as stated in Executive Order 12893, is that such investments must be cost beneficial. The FAA implements these principles by using program guidance to ensure the effective use of Federal aid. A national priority system guides the distribution of funds, supplemented when necessary by specific requirements for additional analysis or justification. For example, airport capacity development projects must be shown to be cost beneficial to receive major support under the Airport Improvement Program.

COMMERCIAL SERVICE AIRPORTS

Commercial service airports are defined as public airports receiving scheduled passenger service and having 2,500 or more enplaned passengers per year. There are

540 commercial service airports. Of these, 413 have more than 10,000 enplanements and are classified as primary airports.

Primary airports receive an annual apportionment of at least $500,000 in AIP funds, with the amount determined by the number of enplaned passengers.

LARGE HUBS

The term "hub" is used by the FAA to identify very busy commercial service airports. For instance, large hubs are those airports that account for at least 1 percent of total U.S. passenger enplanements. Some enplanements originate in the local community and some consist of en route passengers transferring from one flight to another. Several large hub airports have very little passenger transfer activity (LaGuardia, Ronald Reagan Washington National, and San Diego International, for example), while transfers account for more than half of the traffic at others (Atlanta, Pittsburgh, and St. Louis, for example). Together the 29 large hub airports account for 67 percent of all passenger enplanements. Large hub airports tend to concentrate on airline passenger and freight operations and have limited general aviation activity. Five large hub airports (Salt Lake City, Las Vegas, Honolulu, Miami, and Phoenix) have an average of 343 based aircraft, but the other 24 large hubs average only 34 based aircraft each. Thus, locally based general aviation plays a relatively small role at most large hubs.

The Nation's air traffic delay problems are concentrated at 29 large hub airports where the average delay per aircraft operation was 5.3 minutes in 1997. Delays occur primarily during instrument weather conditions when runway capacity is reduced below that needed to accommodate airline schedules.

MEDIUM HUBS

Medium hubs are defined as airports that account for between 0.25 percent and 1 percent of the total passenger enplanements. There are 42 medium hub airports, and together they account for 22 percent of all enplanements. Medium hub airports usually have sufficient capacity to accommodate air carrier operations and a substantial amount of general aviation. Medium hub airports have an average of 173 based aircraft. The delay per operation averaged 2.6 minutes for the 42 medium hub airports in 1997.

SMALL HUBS

Small hubs are defined as airports that enplane 0.05 percent to 0.25 percent of the total passenger enplanements. There are 70 small hub airports that together account for 7 percent of all enplanements. Less than 25 percent of the runway capacity at small hub

airports is used by airline operations, so these airports can accommodate a great deal of general aviation activity, with an average of 130 based aircraft. These airports are typically uncongested and do not account for significant air traffic delays.

Distribution of Activity

Number Airports	Airport Type	Percentage of All Enplanements	Percentage of Active GA Aircraft[1]
29	Large-Hub Primary	67.3	1.3
42	Medium-Hub Primary	22.2	3.8
70	Small-Hub Primary	7.1	4.7
272	Nonhub Primary	3.3	11.4
125	Other Commercial Service	0.1	2.1
334	Relievers	0.0	31.5
2,472	General Aviation	0.0	37.3
3,344	Existing NPIAS Airports	100.0	92.1
15,000	Low Activity Landing Areas (Non-NPIAS)	0.0	7.9

Table 1 Distribution of Activity

NONHUB PRIMARY

Commercial service airports that enplane less than 0.05 percent of all commercial passenger enplanements but more than 10,000 annually are categorized as nonhub primary airports. There are 272 nonhub primary airports that together account for 3 percent of all enplanements. These airports are heavily used by general aviation aircraft, with an average of 81 based aircraft.

OTHER COMMERCIAL SERVICE

[1] Based on an estimated aircraft fleet of 191,562 aircraft.

Commercial service airports enplaning 2,500 to 10,000 passengers annually are categorized as other commercial service airports. There are 125 of these airports in the NPIAS, and they account for .1 percent of all enplanements. These airports are used mainly by general aviation and have an average of 33 based aircraft.

RELIEVER AIRPORTS

General aviation pilots often find it difficult and expensive to gain access to congested airports, particularly large and medium hub airports. In recognition of this, the FAA has encouraged the development of high capacity general aviation airports in major metropolitan areas. These specialized airports, called relievers, provide pilots with attractive alternatives to using congested hub airports. They also provide general aviation access to the surrounding area. The 334 reliever airports have an average of 181 based aircraft, and together account for 32 percent of the Nation's general aviation fleet. All of the airports that are designated as relievers by the FAA are included in the NPIAS.

GENERAL AVIATION AIRPORTS

Communities that do not receive scheduled commercial service may be included in the NPIAS as sites for general aviation airports if they account for enough activity (usually at least 10 locally owned aircraft) and are at least 20 miles from the nearest NPIAS airport. The activity criterion may be relaxed for remote locations or other mitigating circumstances. The 2,472 general aviation airports in the NPIAS tend to be distributed on a one-per-county basis in rural areas and are often located near the county seat. These airports, with an average of 29 based aircraft, account for 37 percent of the Nation's general aviation fleet. These airports are the most convenient source of air transportation for about 19 percent of the population and are particularly important to rural areas.

AIRPORTS NOT INCLUDED IN NPIAS

The NPIAS includes 3,344 of the 5,357 airports open to the public (Figure 3). There are over 2,000 airports open to the public that are not included in the NPIAS. Approximately 1,000 publicly owned, public use airports are not included because they do not meet the minimum entry criteria of 10 based aircraft, are within 20 miles of a NPIAS airport, or are located at inadequate sites and cannot be expanded and improved to provide safe and efficient airport facilities. The FAA usually recommends replacement of inadequate airports. The remaining 1,000 are privately owned, public use airports that are not included because they are located at inadequate sites, are redundant to publicly owned airports, or have too little activity to qualify for inclusion. In addition, more than 12,000 civil landing areas that are not open to the general public are not included in the NPIAS. The airports that are not included in the NPIAS have an average of less than 2 based aircraft, compared to 53 based aircraft at the average NPIAS airport.

OVERVIEW

Increased demand for air transportation will significantly affect the future pattern of capital investment in airports. Gradual growth in domestic air travel and more rapid growth in international travel will lead to a steady stream of projects to expand passenger facilities. Major airlines will probably continue using large transfer hubs, but few if any major new hubs are expected.

ACTIVITY FORECASTS

The early 1990's were a period of slow growth and financial difficulty for the aviation industry, due to the lethargy of the U.S. and world economies. U.S. commercial air carrier enplanements increased at an annual rate of less than 1 percent from 1990 through 1993, and the carriers recorded operating losses totaling close to $5 billion. However, between 1994 and 1997, passenger enplanements by 85 U.S. commercial air carriers reporting data to the Department of Transportation grew at an annual rate of 6.2 percent and reported cumulative operating profits of over $21 billion. In 1997, these commercial air carriers set records for a single year's financial performance with operating profits of almost $8 billion. The larger U.S. airlines were active in foreign markets, where their efficiency made them extremely competitive. Regional/commuter passenger traffic will continue to grow at a faster rate than their larger domestic counterparts. The continued integration of a large number of high-speed turboprops and regional jets by the regional/commuter airlines is expected to stimulate activity at nontraditional regional/commuter markets. In 1995 and 1996 the active general aviation fleet increased.[1]

The FAA's forecasts through 2009 are based on an improvement of the economic situation, with the U.S. economy expected to grow at a moderate annual rate of 2.3 percent, while the worldwide economy grows at a more rapid rate of 3.4 percent, including a particularly rapid rate of 4.6 percent in Latin American and the Far East/Pacific Basin countries. Inflation is expected to remain in the low to moderate range, barring any major disruption in the price and availability of oil. New activity forecasts, to be issued by the FAA's Office of Policy and Plans in 1999, will address the economic downturn which occurred in the Far East and Pacific Basin countries in 1998.

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[1] Source: FAA Aviation Forecasts FY 1998-2009 issued in March 1998.

Domestic air carrier enplanements are forecast to increase at a 3.5-percent rate annually through 2009 and international enplanements to increase by 5.8 percent, for a system average annual growth of 3.7 percent in enplanements. Air carrier aircraft operations will grow at a slower rate of 2.3 percent annually because of the use of larger aircraft. Regional/commuter enplanements are expected to increase at 5.5 percent annually and aircraft operations at 2.1 percent. General aviation operations are forecast to increase at a rate of 1 percent annually.

Aviation Activity Forecasts

Aviation Activity	1997	2009	Annual Growth (%)
Enplanements (Millions)			
✈ Domestic	542.3	821.5	3.5
✈ International	52.5	102.8	5.8
✈ Atlantic	16.5	27.8	4.4
✈ Latin America	20.2	41.5	6.2
✈ Pacific	15.8	33.5	6.5
✈ System (Domestic & Int'l)	594.7	924.3	3.7
✈ Commuter/Regional	61.9	117.0	5.5
Aircraft Operations (Millions)			
✈ Air Carrier	14.2	18.6	2.3
✈ Commuter/Regional	10.0	12.8	2.1
✈ General Aviation	36.6	41.5	1.0
✈ Military	2.5	2.5	-0.2
✈ Total	63.4	75.4	1.5

Table 7 Aviation Activity Forecasts

IMPLICATIONS OF FORECASTS

The forecast for a 62-percent increase in passenger enplanements between 1997 and 2009 suggests that a major investment will be needed to expand terminals to accommodate more passengers and larger aircraft. The technology used in future terminals will be similar to current designs in many respects, although a major increase is likely in the use of automated people movers to expedite pedestrian traffic around large terminal complexes. Also, new terminal designs are more likely to incorporate public transit, particularly in cities with well-developed transit systems.

The trend toward the use of midfield terminals at airline transfer hubs will continue. Midfield terminals are key features at Atlanta and Pittsburgh and the new Denver airport, and similar developments are underway at Detroit Metropolitan and Washington Dulles. Unlike most terminals, which have automobile parking on one side and aircraft parking on the other, midfield terminals are surrounded by parked aircraft, maximizing the opportunities for efficient passenger transfers. Access to ground transportation is usually provided by an underground automated people mover.

Another feature of transfer hubs is the use of automated baggage handling equipment to speed the transfer of baggage between flights. It is difficult to accommodate automated baggage handling equipment in existing buildings, but it is being incorporated into new terminals at transfer hubs, where the structure can be designed specifically to accommodate it.

The 62-percent increase in passengers is expected to be accomplished by a 32-percent increase in air carrier aircraft operations. Over the next decade, the FAA anticipates that the average seating capacity of air carrier aircraft will increase by approximately 2 seats per year. In addition, aircraft utilization is expected to continue to increase as more carriers seek to reduce gate turn-around times. Load factors are also expected to remain at current historical high levels. The implications of the increase in air carrier aircraft operations will vary, depending on activity levels at individual airports. The growth will present little problem for most low activity airports, which have unused runway capacity. The increase in air carrier operations at medium hubs will be accommodated by scheduling more flights for off-peak periods, attracting a portion of general aviation activity to reliever airports, and developing new runways to increase airfield capacity.

A substantial increase in aircraft operations at a large hub airport may warrant consideration of additional runways. The prospects for new runway construction are better at airline transfer hubs than at the older and more congested origin/destination airports serving major metropolitan areas. Most transfer hubs have new runways planned or under consideration. Airlines selected these airports as hubs in part because of their potential for expansion, and airport management is eager to provide adequate runway capacity in order to ensure that the airlines continue to operate there, rather than switching hub operations to a competing airport. Much of the additional capacity at transfer hubs is intended for use by commuter and regional airline aircraft, which transport passengers from smaller cities within several hundred miles of the hub. This traffic is expected to grow as regional carriers acquire jet aircraft to supplement their propeller driven fleet.

The outlook for new runways at major origin/destination airports is less promising. A few large hub airports where more than two-thirds of traffic is locally generated are actively considering new runways. The engineering and political obstacles to new runway construction at these airports are daunting. The strategy for reducing delay at most of the congested origin/destination airports is likely to include regulatory and administrative

efforts to encourage the use of larger aircraft and to maximize schedule efficiency, filling in any off-peak periods, and distributing traffic to supplementary air carrier airports. Airfield congestion at major origin/destination airports is and will continue to be one of the most difficult issues facing civil aviation.

OTHER FACTORS

The requirement for airports is affected not only by the volume of air transportation but also by the way in which it is provided. Airlines are expected to continue to concentrate their schedules at busy transfer hubs, where large numbers of flights converge in short periods of time to maximize the opportunity for passenger transfers. The current number of hubs appears to be adequate to meet airline requirements. No additional hubs are expected within the next 5 years. Increased direct service, bypassing hubs, is likely when warranted by airline marketing considerations. Parallel runways are planned at some transfer hubs to accommodate operations by regional airlines, which are being used to connect to smaller cities.

Lower cost carriers are likely to serve major metropolitan areas, possibly initiating service to uncongested, secondary commercial service airports where existing facilities are underutilized. In some cases, however, service has been initiated at major airports. For example, low cost carriers presently operate at the major airports in Phoenix, Saint Louis, and Salt Lake City. In these cases, secondary commercial service airports are not available.

The globalization of the airline industry, rapid growth of air transportation overseas, and the increased range of aircraft will combine to bring more international passengers to more U.S. airports. The effects will vary but may include requirements for longer runways, terminal building expansion, and provision of Federal inspection facilities for immigration, customs, and agriculture at airports where international traffic is increasing.

The increased number of turboprop and jet aircraft in the general aviation fleet will result in a demand for longer runways at certain reliever and general aviation airports, particularly those used by business and corporate aircraft.

CARGO

Air cargo is very important to the U.S. economy, as illustrated by U.S. Department of Commerce statistics that 28 percent of exports and 18 percent of imports by value in 1990 were shipped by air. Air transportation is a preferred mode for the shipment of high value, lightweight, and perishable goods.

Air cargo is concentrated at busy commercial service airports and much of it is carried in the baggage compartments of scheduled passenger aircraft. Less than 5 percent of scheduled flights are by all-cargo aircraft, and these are usually derivatives of passenger

aircraft. Cargo flights usually occur during off-peak periods and do not substantially contribute to airport congestion and delay problems.

The principal need for airport development is related to the cargo sorting and transfer facilities developed by small-package, express carriers. These facilities are concentrated in a geographic area around the Ohio River Valley where flights can be brought together efficiently to transfer cargo. These airports must have high capacity, all-weather runway systems to support reliable operations. Improvements may also be warranted at selected airports, such as JFK, O'Hare, Miami, Anchorage, and Los Angeles International, to keep pace with rapid growth in international air cargo.

INNOVATIONS

Efforts are underway to develop transportation and communication technology that may eventually affect the demand for conventional air transportation. Prototypes of tiltrotor aircraft may evolve into effective vehicles for air travel between city centers or suburban areas, bypassing congested airports. High-speed trains are being demonstrated that could attract more passengers to rail in specific markets, and research is underway into magnetic levitation (maglev) vehicles. Teleconferencing and other electronic communication techniques could affect the demand for business travel. These innovations may eventually have a significant effect on airport development needs, but this is not expected to occur during the next 5 years, which is the period addressed by this report.

CONVERSION OF SURPLUS AIRFIELDS

About 33 surplus military airfields are being converted to civil use. Some, notably Myrtle Beach AFB, Bergstrom AFB, and Agana Guam NAS, are ideally located to become commercial service airports. Other surplus airfields are located in areas where general aviation and reliever airports are needed.

AIRFIELD CAPACITY

Airfield capacity is the development necessary to accommodate more and larger aircraft operations on runways and taxiway systems at airports experiencing or expecting to experience 20,000 hours of delay or more. This accounts for 13 percent of the NPIAS, down from 31 percent in the 1993 NPIAS. This decrease is due to the change in how the FAA classifies certain types of development. The category was broader in 1993 and included development to accommodate additional aircraft at airports where runway congestion was not a severe problem.

Runway development that is warranted to relieve congestion but precluded because of political and environmental considerations is not included. The airfield capacity development included in this 5-year plan will help to control congestion at many busy airports. However, severe problems will remain in certain large metropolitan areas like New York, and the FAA will continue to focus on the need for additional capacity at those locations.

NEW AIRPORTS

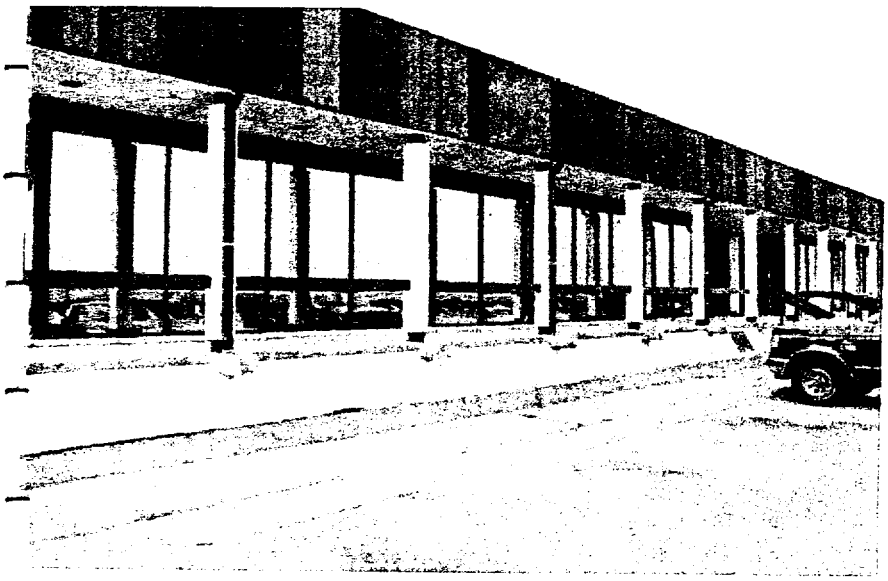
New airports are recommended in the NPIAS for communities that generate a substantial demand for air transportation and either do not have an airport or have an airport that cannot be improved to meet minimum standards of safety and efficiency. In addition, new commercial service and reliever airports are recommended for communities where existing airports are congested and cannot be expanded to meet the forecast demand for air transportation. Few major new airports are foreseen during the next 5 years but a number of new reliever and general aviation airports are proposed.

The new airport category includes most of the anticipated cost of converting surplus military airfields to civil use.

SECTION 6

Maintenance Tasks &
Proposed Products Information

MAINTENANCE TASKS



Preventative Maintenance Facilities

The FAA building is showing is in need of preventative maintenance. Buildings will be kept in clean and orderly appearance as required of Lessee's in their respective agreements.

Figure 1 FAA Building

By example, facilities such as this which are the responsibility of American Airports to maintain, will be spray cleaned on a regular basis and windows washed. This condition left untreated would lead to a much larger expense in repainting and replacing soffit material.

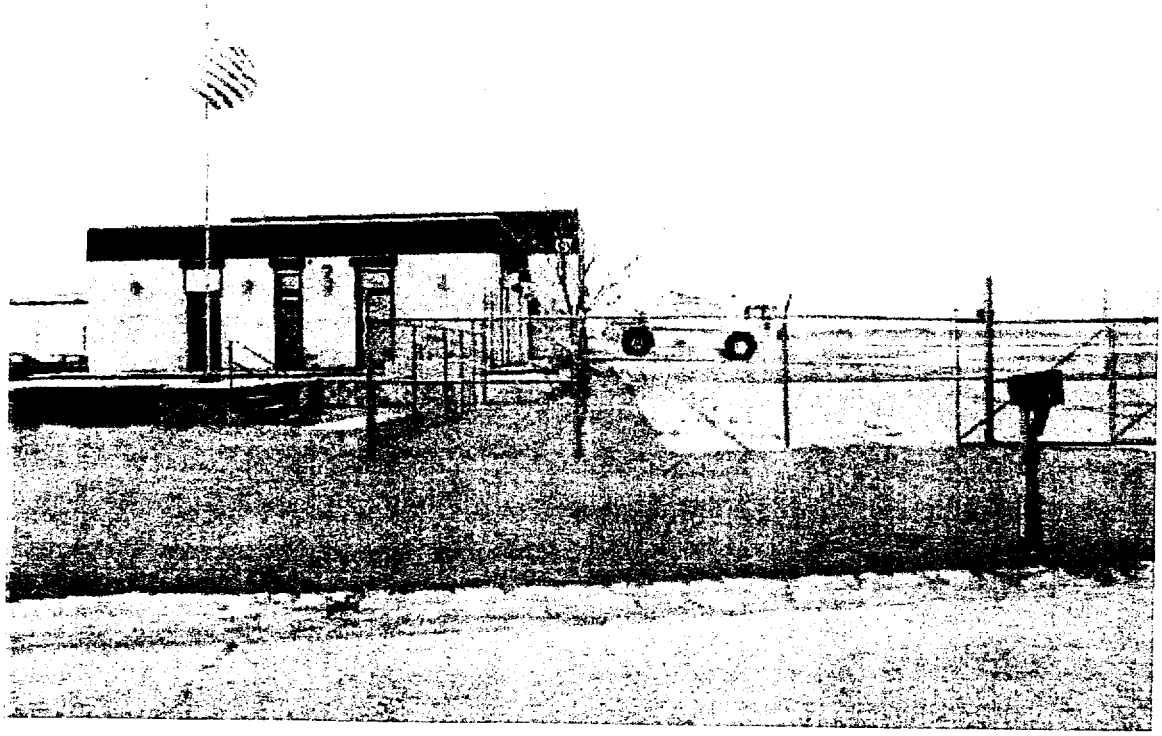
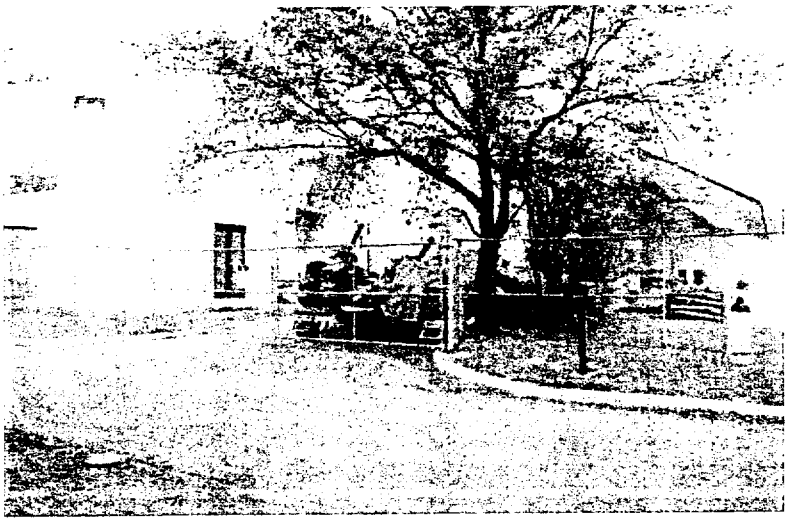


Figure 2 Operations Department Location

Development of the below area would be in consideration of programmed future improvements to include the relocation of Lloyd Stearman Drive.

Figure 3 Area ready to be developed

Figure 4 Outside Storage



The figure above is evidence of outside storage by a tenant which will eliminated through enforcement of existing and new leases and by American Airports by its operation of the airport.

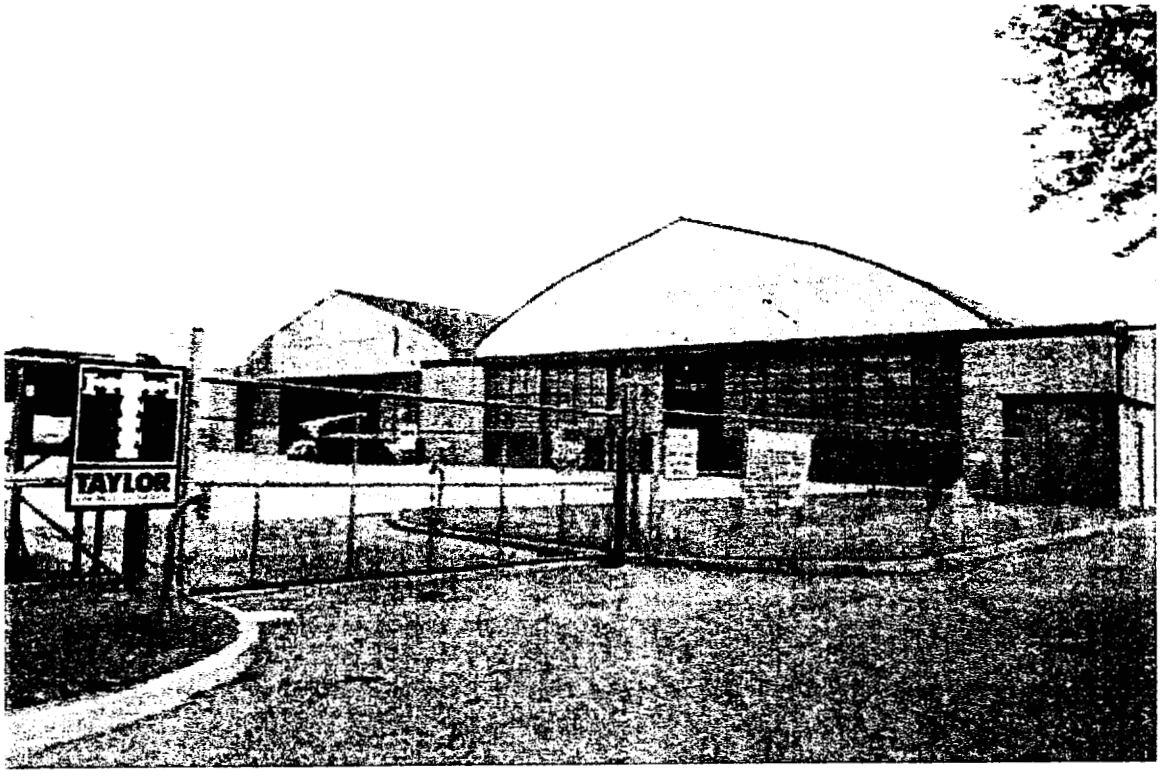
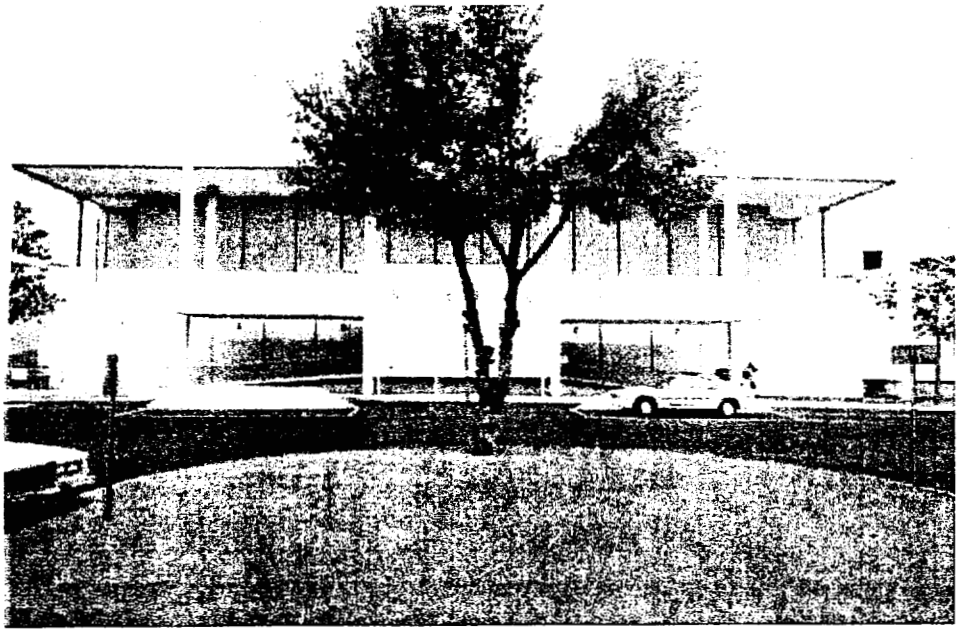


Figure 5 Hangars in need of repaint

New lease will require tenants to paint facilities when needed. Existing provisions in existing leases will be enforced. If provisions are not addressed, attempts will be made to renegotiate to standard terms.

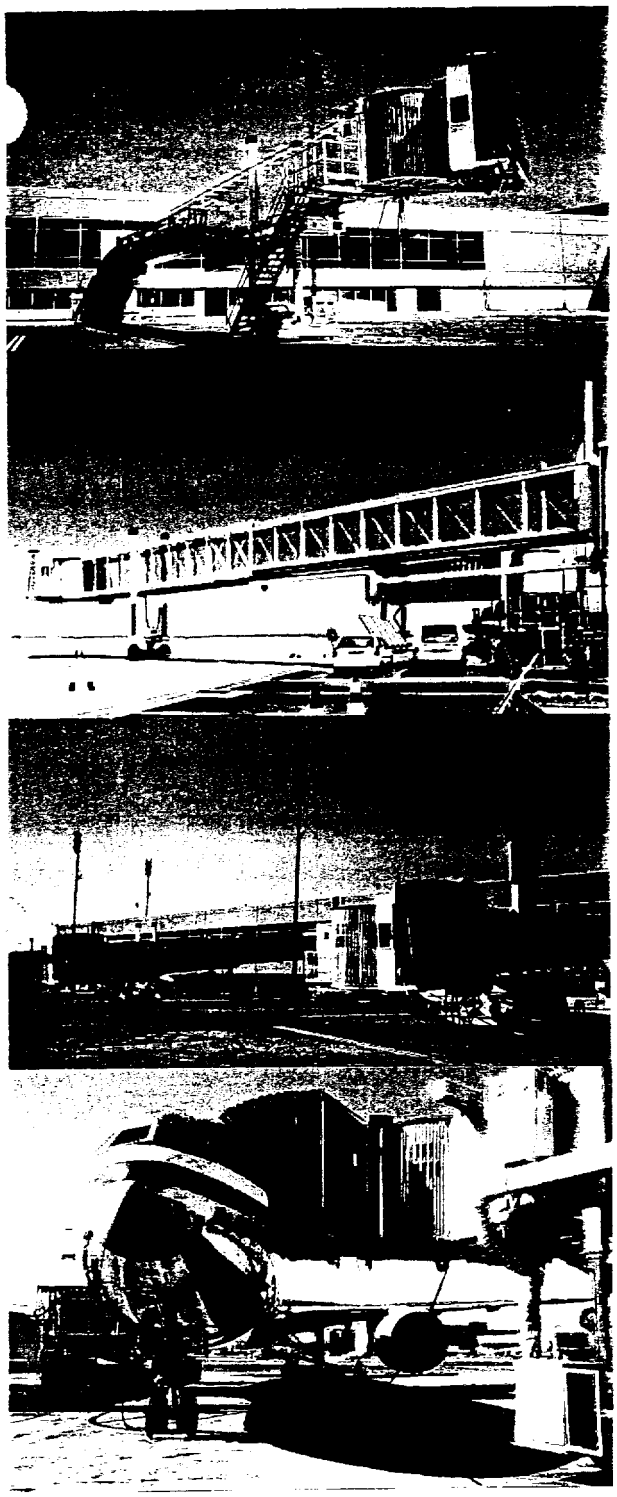


The directory sign fronting the terminal will be removed, a new standard signing program will be developed applicable to the airport and tenants.

Figure 6 Terminal Building

Figure 7 Existing Maintenance Facility

This facility is very near the end of its useful life and is in need of major refurbishment if not outright replacement.



THYSSEN galvanized Steel Boarding Bridges

Thyssen Stearns Inc. based in Fort Worth, Texas, Thyssen Henschel in Kassel/Germany and in Mieres/Spain belong to Thyssen Krupp Airport Systems. We are a subsidiary of the ThyssenKrupp Group, a $25 billion international steel conglomerate.

Thyssen has been designing and producing Passenger Boarding Bridges worldwide for more than 30 years. Since the production of Thyssen bridges started at TSI in Fort Worth in 1998, projects in Los Angeles, San Diego, Knoxville, Houston (IAH) and Houston Hobby, Chicago, Cincinnati, Minneapolis, Buffalo, Nassau and more, have been completed. San Francisco International Airport received 40 bridges for the new boarding area A and G.

The year 2000 brings exciting new projects to Thyssen Stearns. More than forty (40) apron drive bridges have been awarded to TSI for the Chicago Midway Airport. New orders for Minneapolis, Buffalo, Harrisburg, Toronto and others have been placed. We are looking forward to providing US Airways with over 20 bridges for multiple US locations.

Thyssen is particularly proud to bring the first glass bridges to North America! Seven THYSSEN CRYSTAL glass-walled bridges are now in operation at new gates at the Vancouver International Airport in Canada.

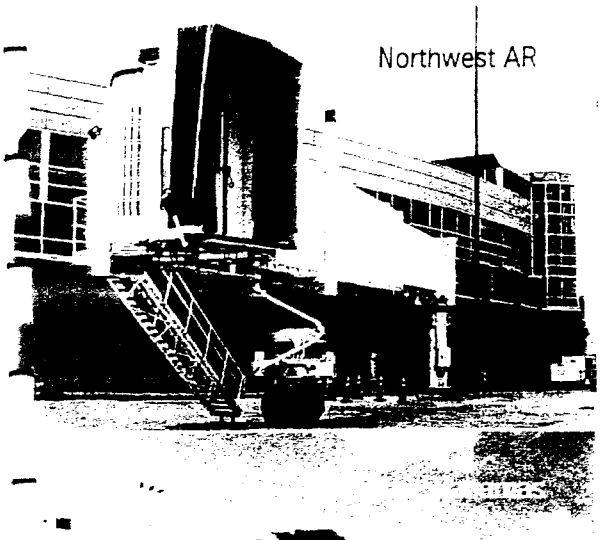
Thyssen smooth sided, galvanized steel Passenger Boarding Bridges are outstanding for their efficiency as they combine the maximum levels of quality with very low cost of ownership. Our longstanding experience as a bridge manufacturer results in "turn key" boarding bridge solutions, including 400hz, PCA, Potable Water and DGS options.

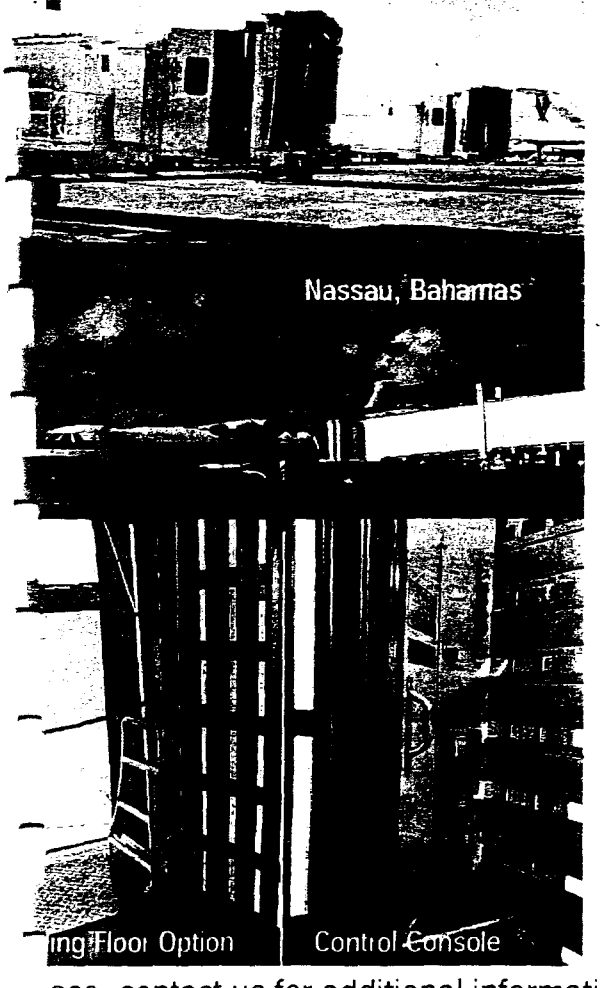
Thyssen provides complete maintenance services and bridge refurbishment. The Thyssen know-how guarantees the levels of attention and assistance required by the most demanding clients throughout every stage of the process; from the preliminary design to the after-sales service.

Please, contact us for additional information:
Phone: **817-210-5000** E-mail: **info@tsibridges.com**

Thyssen Stearns Inc.

ThyssenKrupp





THYSSEN DUAL-BRIDGES

With the ever increasing demand for passenger comfort and safety, the **THYSSEN DUAL-BRIDGE** was designed for the dual purpose of serving regional jets and turboprops, as well as narrow-bodied aircraft. The **THYSSEN DUAL-BRIDGE** was first introduced to the North American market in Spring of 1999.

DUAL bridges purchased by American Airlines/American Eagle are now in operation in Northwest Arkansas, Cleveland, OH, Hartford, CT and Nassau, Bahamas. The McGhee Tyson Airport in Knoxville, TN has several DUAL bridges in operation and more are scheduled for delivery this year.

Rotunda and cabin design modifications on the **THYSSEN DUAL-BRIDGE** allow our customers to serve a wide range of aircraft, from the SAAB 340, Dash 8, Embraer Regional Jets, Canadair Regional Jets, up to the Boeing 737 and Boeing 757 and the Airbus 320.

Our patented **THYSSEN DUAL-BRIDGE** design combines the features of the THYSSEN galvanized steel, smooth sided Apron Drive Bridge with innovative solutions for regional aircraft. Investment and maintenance costs are reduced with the **THYSSEN DUAL-BRIDGE** design.

The **standard** THYSSEN DUAL-BRIDGE is designed for second level operation. For **ground floor** operation the new **Low-Rider DUAL-BRIDGE** incorporates additional rotunda height and wheel bogie modifications. The **Low-Rider DUAL-BRIDGE** rotunda height can be modified down to approximately 24 inches above the apron.

All **THYSSEN DUAL-BRIDGES** can be equipped with options, including PCA, potable water, ground power equipment and other customer requirements. Individual solutions for specific bridge requirements, such as bag slides can be customized to fit our clients requests.

ease, contact us for additional information:
one: **817-210-5000** E-mail: **info@tsibridges.com**

Thyssen Stearns Inc.

ThyssenKrupp

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Thyssen Stearns Inc.

Press-Release

Thyssen Stearns Inc. (TSI) based in Fort Worth, Texas, Thyssen Henschel in Kassel/Germany and in Mieres/Spain belongs to Thyssen Krupp Airport Systems. Together the group has over 300 employees. Jointly, the companies have produced more than 1,200 Passenger Boarding Bridges. We are a subsidiary of the ThyssenKrupp Group, a $25 billion international steel conglomerate.

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Flooded with daylight, the THYSSEN CRYSTAL glass-walled boarding bridge harmonically and perfectly fits into the modern design of today's airports. Seven THYSSEN CRYSTAL glass-walled bridges are now in operation at new gates at the Vancouver International Airport in Canada. Thyssen is particularly proud to bring the first glass bridges to North America!

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THYSSEN-DUAL bridges purchased by American Airlines/American Eagle are in operation in Northwest Arkansas, Cleveland, OH, Hartford, CT and Nassau, Bahamas. The McGhee Tyson Airport in Knoxville, TN is the owner of several DUAL bridges, and more are scheduled for delivery this year.

The innovative Low-Rider DUAL-BRIDGE is a telescoping, apron-drive bridge with a similar operating range as the standard THYSSEN DUAL-BRIDGE, but designed specifically for ground floor operation. The Low-Rider DUAL provides exciting solutions particularly for Regional Airports.

Thyssen smooth sided, galvanized steel Passenger Boarding Bridges are outstanding for their efficiency as they combine the maximum levels of quality with very low cost of ownership. Our longstanding experience as a bridge manufacturer results in "turn key" boarding bridge solutions, including 400hz, PCA, Potable Water and DGS options.

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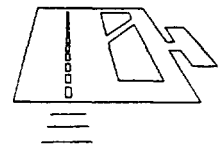
Internet: www.thyssenkrupp.com

IRMS
Insulation Resistance Monitoring System

A Siemens Company



1218 Rev. B

Compliance with Standards

FAA: AC 150/5340-26 chapter 3, section 2, para. 27
ICAO: Annex 14 para. 8.3. and Aerodrome Design Manual, Part 5, para. 3.7.11

System Overview

The IRMS (patent pending) provides state-of-the-art configureable insulation resistance measurements on airfield series circuits. Unique IRMS architecture allows up to 256 CCRs to be connected on a single interface controller, the ADB ACE™. This provides for the lowest cost megging system in the industry. The system can be provided either as a stand-alone system or as an integral part of an Airfield Lighting Computer System (ALCS). See ADB catalog sheet 1041for additional information on the ALCS.

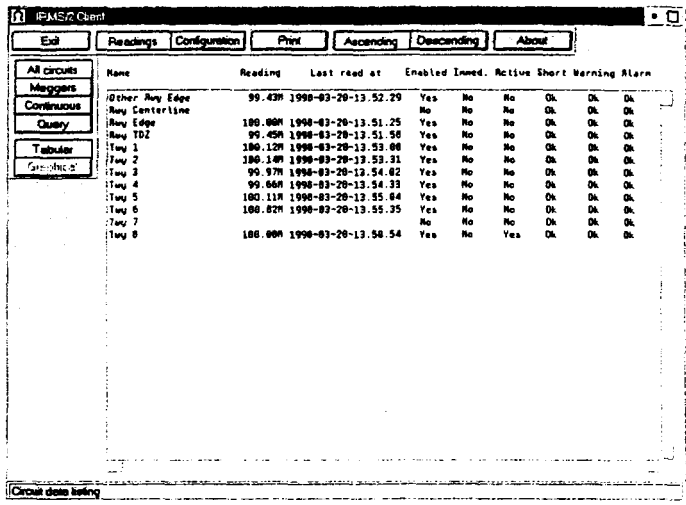
Uses

The IRMS performs scheduled cable insulation resistance measurements and can also perform manually requested measurements. This provides the ability for monitoring the long term degradation of the airfield series circuit cabling which can then be characterized in text or graphical format.

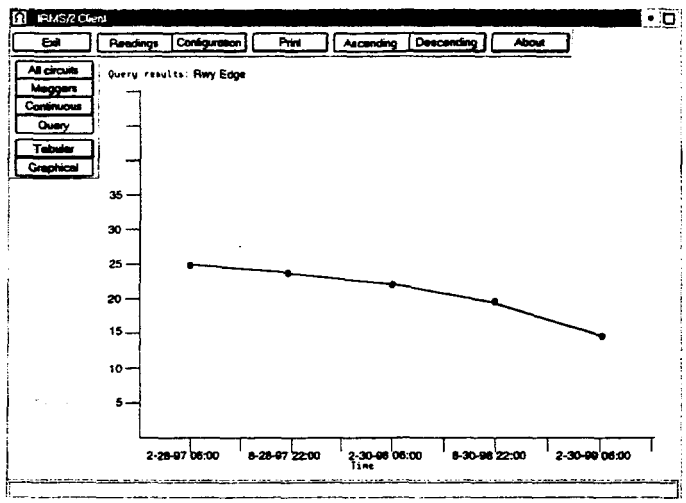
- Aids airport in monthly circuit monitoring for cable degradation, as recommended in AC 150/5340-28
- Confirms field work performed on series circuits was performed correctly by maintenance personnel and contractors
- Provides tool for isolating ground faults and open circuits

Features

- The IRMS provides a wide range of resistance measurements from less than 20kΩ up to 2000MΩ (2GΩ) with an accuracy of ±2%
- Up to 256 CCRs on a single ACE
- Circuit charge voltage (50, 500 or 1,000V DC) is automatically adjusted to provide accurate resistance measurement at all ranges
- Fiber optic interface insures isolation from HV series circuit, providing the highest level of safety
- Self-calibration checks the hardware to verify proper operation prior to taking measurements
- Can be used on energized or de-energized circuits
- User can easily add new circuits and change circuit names
- Resistance measurement data can be printed in graphical trend plots or in tabular format
- Data is automatically logged after each measurement for future analysis and can be backed up to disk
- Data can be exported to allow for data manipulation by the user
- Programmable warning and alarm set points
- Compatible with all constant current regulator manufacturers



Typical Text Display



Typical Graphical Display

Electrical Specification

Advanced Control Equipment (ACE™) IRMS interface unit is installed at each constant current regulator. See ADB catalog sheet 2016 for additional information on the ACE.

Insulation Resistance Monitoring Module (IRMM) is installed at each constant current regulator or circuit selector.

Two models available:	6.6 amps RMS
	20 amps RMS
Specifications:	50, 500, 1000V DC
	20kΩ to 2000MΩ (2GΩ)

Auto calibration test: Automatic self-calibration prior to each circuit measurement. Can be programmed to automatically test on energized or de-energized circuits on a regular basis.

Product Configuration

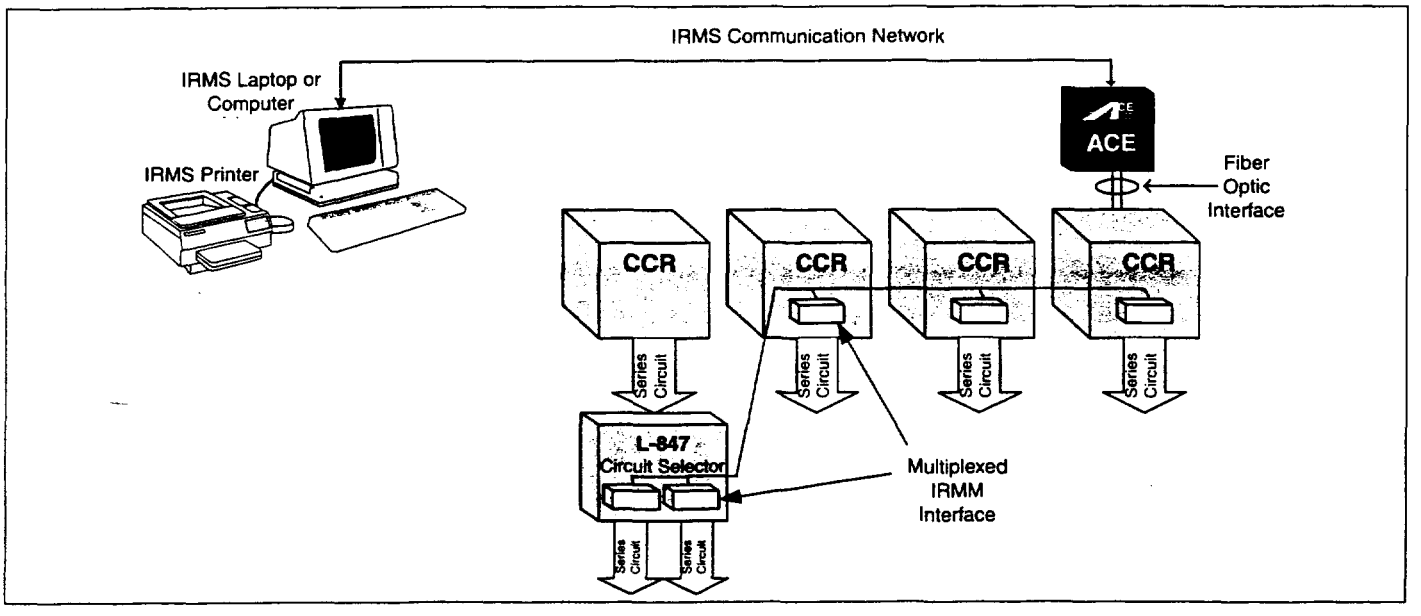
The IRMS is designed to airport specifications. Please contact your ADB Sales Representative and provide the following information:

- Number of vaults
- Number of Constant Current Regulators in each vault
- Number of L-847 Circuit Selector Switches for each CCR
- Denote CCR current type (6.6 A or 20 A)

Programmable Features

The IRMS will operate while the circuit is energized or de-energized and allows for automatic or manual readings during either condition. The IRMS is user programmable and allows for all of the following variables to be programmed by the user at the IRMS computer:

- Start Time 1: This represents the first time of the day in which the IRMS is to take the first automatic reading of the series circuit
- Start Time 2: This represents the second time of the day in which the IRMS is to take an additional automatic reading of the series circuit
- Period: This specifies how often the circuit is measured (i.e., daily, weekly, monthly, etc.)
- Warning Limit: This is a limit value, in ohms, at which point a resistance warning will be generated
- Alarm Limit: This is a limit value, in ohms, at which point a resistance alarm will be generated



Typical IRMS Block Diagram

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Telephone: 614-861-1304 Fax: 614-864-2069

A Siemens Company

ALCS
Airfield Lighting
Computer System

A Siemens Company

1041 Rev. C

Compliance with Standards

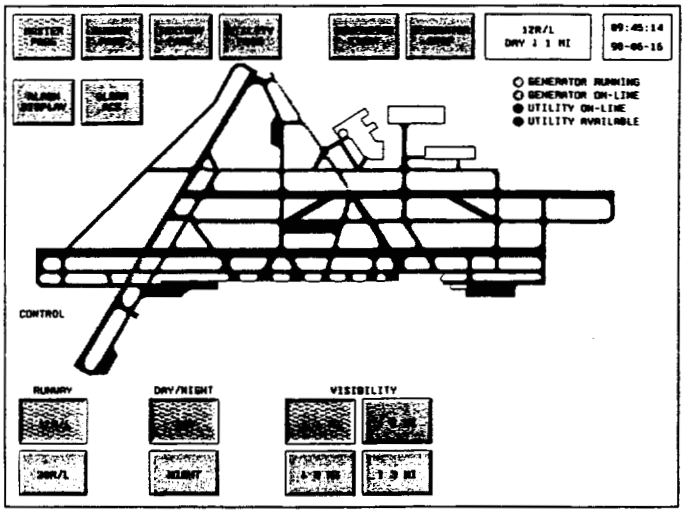
ICAO: Annex 14, Vol. 1, para. 5.3.1.10 and 8.3 and Aerodrome Design Manual part 5, para 3.4 and 3.7
FAA: L-821 AC 150/5345-3 (Current Edition)

System Overview

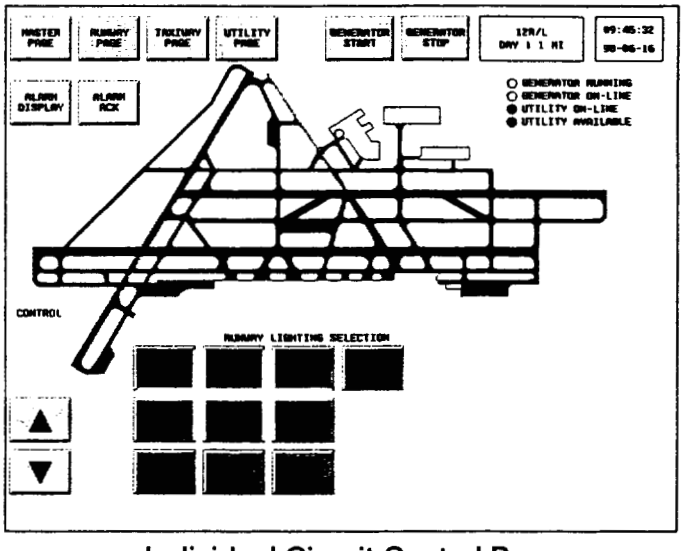
ADB's Airfield Lighting Computer System (ALCS) provides state-of-the-art programmable intelligence for control and monitoring of airfield lighting circuits. The ALCS can automatically control and monitor stop bars or runway guard lights, as part of a surface movement guidance and control system (SMGCS). In addition, the ALCS can also control and monitor Land and Hold Short systems (LAHSO). The ALCS can be customized to interface with Constant Current Regulators (CCR), generators, approach lighting or other devices requiring remote control and/or monitoring. The ALCS can also be used in remote deicing stand and remote air terminal applications. ADB's ALCS is unmatched in performance, long-term reliability and flexibility, with many standard features and a wide range of innovative, cost-effective options.

Features

- Real-time status of the airfield lighting system
- Windows NT® or IBM OS/2® operating environment
- Realistic airfield graphic displays provide detailed information to air traffic controllers and maintenance personnel
- Touchscreen Creations™ software, developed specifically for airfield lighting applications, provide a powerful and flexible means for airport personnel to make modifications to the lighting system after initial installation
- Timesaving diagnostic and monitoring from remote locations
- Redundant network configurations available using any combination of ethernet, fiber optics, hard-wire and wireless
- Easy integration into existing airport ethernet networks
- Open architecture design offers easy integration of the latest technology (examples: LAHSO, Inpavement and Elevated Runway Guard Light Systems, etc.)



Airfield Lighting Preset Page



Individual Circuit Control Page

Applications

The ADB ALCS offers a modular design that gives airports the flexibility to easily expand their system as their requirements change and as new FAA regulations require additional capabilities. The open architecture of the ALCS allows the system to be integrated with any of the latest advanced technologies in airport systems.

Such systems include:

- ADB's BRITE™ Systems (power-line carrier technology) - Offers individual lamp control/monitoring, sign monitoring, stop bar, inpavement or elevated runway guard light control/monitoring and taxiway routing.
- Surface Movement Surveillance Systems - Provide an integrated workstation that allows lighting control, aircraft tracking, aircraft tagging, and ground movement conflict detection (i.e. runway incursion detection)
- Deicing Stations - Advanced routing control and lamp out monitoring of aircraft deicing station lights
- Approach Systems - Advanced control and monitoring of the approach system steady burning lights and the strobe system
- Remote Air Terminals -Using ADB's surface guidance system, remote air terminal personnel can control and monitor taxilanes/apron areas between the main airport surface movement area and a remotely owned/operated air terminal
- Land and Hold Short Systems -Indicate the location of hold-short points on runways approved for land and hold short operations.

Touchscreen

Multiple touchscreen control stations (TCS) can be integrated within an ALCS. Each TCS may share control of an airfield or have a specific area of control. Each TCS operates independently of one another and provides complete redundancy for airfield lighting control and monitoring.

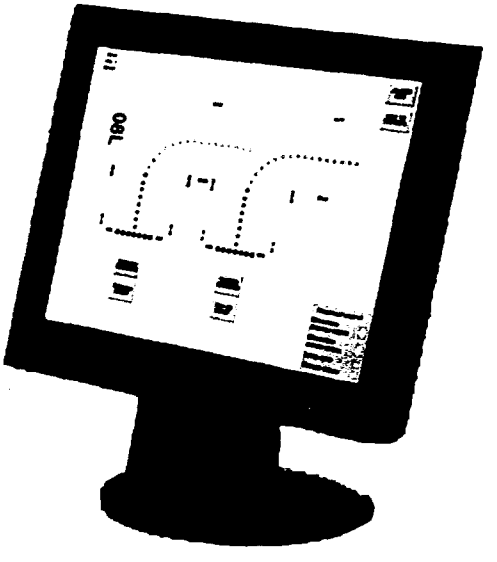
Features

- High definition airfield graphic representation
- High contrast, anti-glare monitors
- CRT, LCD or plasma flat screen displays
- Intuitive user interface provides 'pop-up' buttons which lead the air traffic controllers through lighting control tasks
- Highly flexible preset or selective airfield lighting control
- Programmable event and alarm filters reduce information overload for air traffic controllers
- Easily integrated with SMGCS operation requirements (i.e. stop bar control/monitoring and taxiway routing)

ACE™ (Advanced Control Equipment)

ADB's ALCS design utilizes the high performance ACE ™ device (Advanced Control Equipment) instead of discrete I/O points to dramatically simplify the interconnection of the computer system to the airport's CCRs. With the ACE™ system, all control and monitoring signals are transferred through a pair of redundant high speed data busses eliminating the hundreds of discrete wire connections found in traditional installations. The use of quick disconnects and standard 18-20 gauge shielded, twisted pair cabling for the data busses greatly simplifies installation and maintenance. Up to 64 CCRs can be connected to each data buss allowing the ACE™ modules to be daisy-chained throughout the lighting vault. An unlimited number of CCRs can be accommodated by simply adding additional data busses, as required. Data buss redundancy ensures continuous operation in the event of data buss failure.

The ACE™ consists of an integrated control and monitoring package that is attached to each CCR either internally or within a small external enclosure. This module features very quick control response, unparalleled monitoring performance, and built-in programmable fail-safe modes. Configuration and calibration of the ACE™ is performed directly through the ALCS user interface, eliminating the need for dedicated programming devices or laptop computers. See ADB catalog sheet 2016 for additional information on this product.



Maintenance Center

The Maintenance Center provides the airport with the convenience of monitoring the status of the ALCS from any remote location, on or off the airfield.

The maintenance computer(s) provides real-time and historical information regarding the status of the airfield lighting as well as any other device which is being controlled and/or monitored by the ALCS.

Graphics

The detailed graphical displays provide quick status of the airfield lighting systems. High resolution graphics are fully scaleable and allow for detailed zooms of any portion of the airfield.

Features

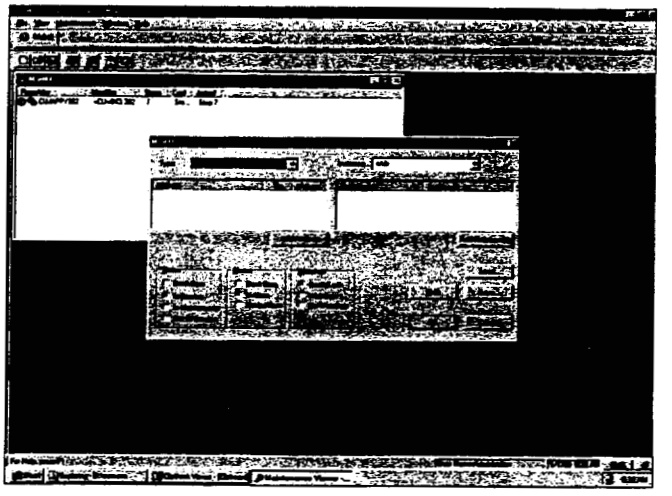
The Maintenance Center provides valuable maintenance tools that allow quick diagnosis and maintenance of the system. Some of the tools available are as follows:

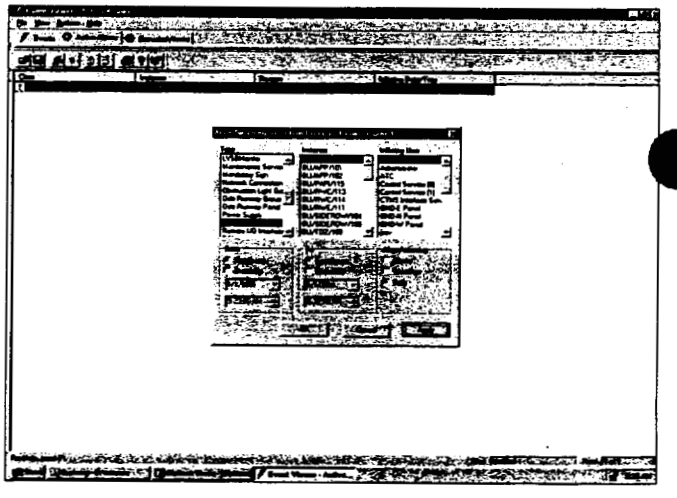
- Remote Lighting Control - A password protected window allows airport personnel control of the airfield lighting from locations other than the tower; such as the maintenance center, computer operations center and other lighting vaults.
- Report Printing - Flexible report printing capabilities allow specific data to be printed out.
- On-line Documentation - Manuals and wiring diagrams are available on-line and provide easy access to important information.
- Remote Dial-up Access - Password protected access allows ADB as well as airport personnel to dial into the maintenance computer in order to determine the status of the ALCS.
- Maintenance Vehicle Laptop - Remote laptop mounted in maintenance vehicle allows full control and monitoring capabilites via wireless radio link

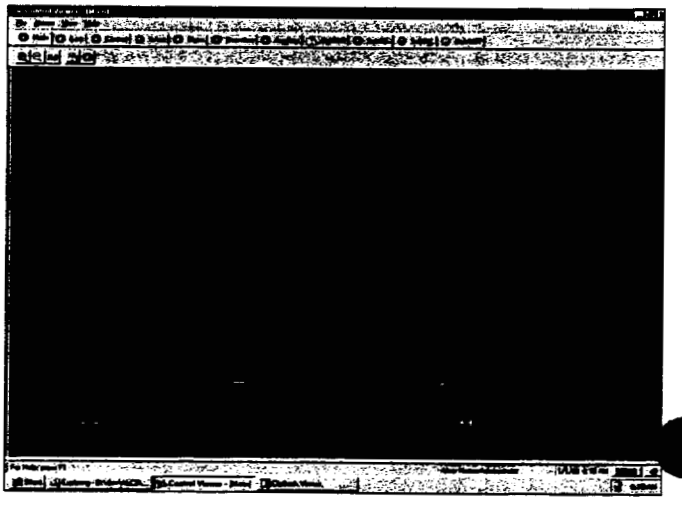
System Options

In addition to the distributed control system, ADB continues to offer traditional control systems with any or all of the following features.

- L-821 Airfield lighting control panel.
- Support to existing L-827 stand alone airport monitoring or L-829 Scanning Monitor Ready CCRs
- Industrial style I/O system







Typical Maintenance Center Screens

BRITE™

The ADB BRITE™ System is an integral component in Surface Movement Guidance Control Systems (SMGCS). It is used to precisely control and monitor a single light or groups of lights on the airport runway/taxiway series circuit.

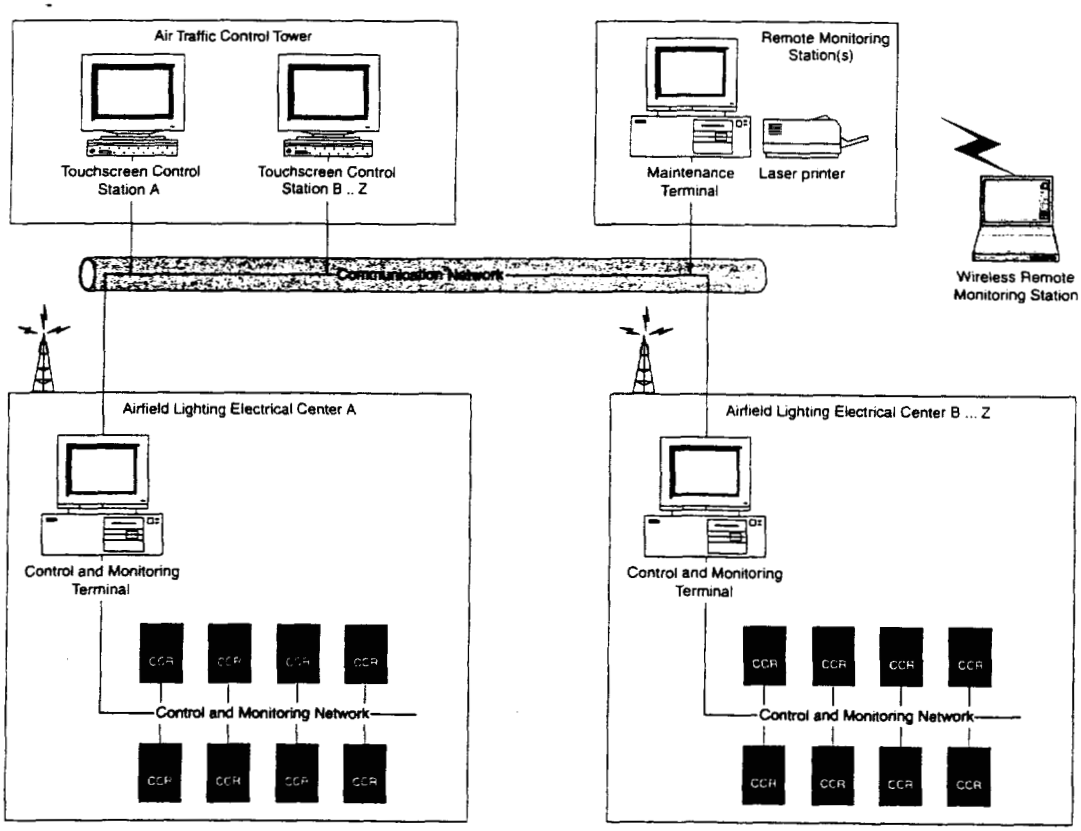
- Computerized Taxiway Stop Bar
  Several stop bars may be connected to the same series circuit loop while still allowing selective switching and individual monitoring of each stop bar.

  When a red stop bar is switched ON, a number of green taxiway centerline lights beyond the stop bar are switched OFF. When the aircraft receives clearance and when the red stop bar lights are extinguished by the air traffic controller, the green centerline lights are illuminated to indicate the aircraft is cleared to proceed. Incorporating a microwave sensor with the BRITE™ will allow automatic relighting of the stop bar and extinguishing of the green centerline lights, in anticipation of the next aircraft.

- Power-line Communication Technology
  Controlling and monitoring the stop bar lights, taxiway entry lights and presence detectors are accomplished by using ADB's BRITE™ Remote control devices. Each device on the airfield that requires individual control and monitoring is interfaced to one of the Remotes. All of the communication data is superimposed onto the airfield series circuit cabling (power-line) and is received and transmitted by the BRITE™ Remotes.

  Please contact ADB Sales for additional information on ADB's advanced technology products.

General Application



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ACE™
Advanced Control Equipment

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2016 Rev. C

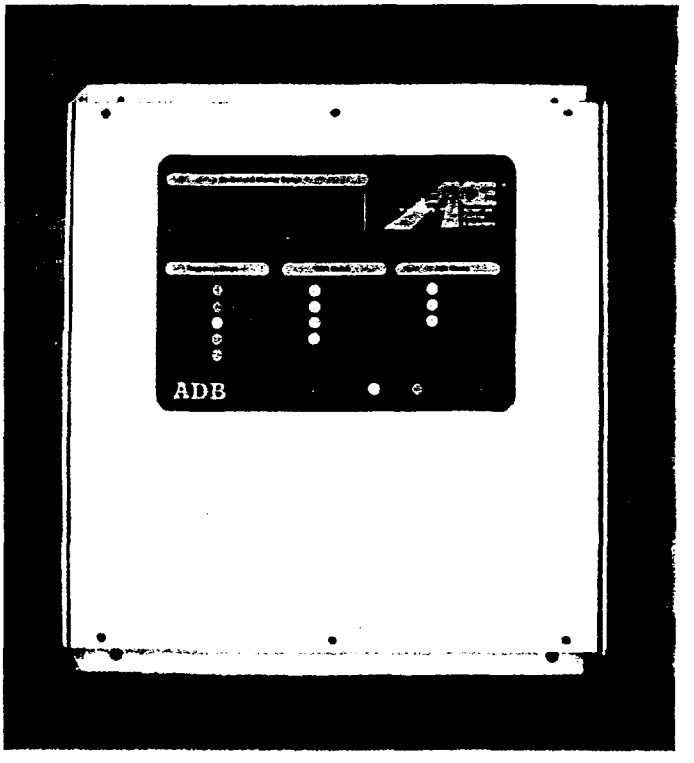
Compliance with Standards

FAA : Monitoring: AC 150/5345-10 (Current Edition)
Insulation Resistance: AC 150/5340-26 Chapter 3, Section 2, para.27

ICAO: Aerodrome Design Manual Part 5, para. 3.2.1.4 to 3.2.1.6
Insulation Reistance: Annex 14, para. 8.3 and Aerodrome Design Manual, Part 5, para. 3.7.11

Uses

The ACE™ unit provides full L-827 monitoring in conjunction with an ALCS (Airfield Lighting Control System) or can be used as a stand alone unit for local monitoring. ACE™ represents ADB's version of a distributed control and monitoring system. Each unit is installed locally at each device (i.g. Constant Current Regulator) which requires control and/or monitoring within the airfield lighting electrical vault.



Features

- ACE is a universal device that can be used for control and monitoring on any type of CCR or other airfield equipment
- The ACE interfaces to the ALCS via a Redundant Communications Network (RCN)
- Each ACE has a standard configuration with interchangeable modules
- Each ACE unit configuration is field programmable
- The ACE performs the following functions:
  - Brightness control of the CCR(s) or ON/OFF control, as required by the controlled element
  - CCR status monitoring (i.e. remote/local, loss of input power)
  - Active and passive fail-safe functions
  - Self-diagnostics to monitor for proper operation
  - Local status display
  - Optional monitoring of all requirements per FAA L-827
  - Optional CCR output voltage and current monitoring
  - Optional Insulation Resistance Monitoring System (IRMS)
  - Optional input voltage, current, power and VA monitoring
  - Optional input power factor and efficiency monitoring

Technical Specification

ADB's ALCS design utilizes the high performance ACE (Advanced Control Equipment) that provides distributed control devices rather than a centralized system of discrete I/O modules. This dramatically simplifies the interconnections of the computer system to the airport's CCRs. With the ACE system, all control and monitoring signals are transferred through a pair of redundant high speed data busses eliminating the hundreds of discrete wire connections found in traditional installations. Up to 64 CCRs can be connected to each data buss allowing the ACE modules to be daisy-chained throughout the lighting vault. An unlimited number of CCRs can be accommodated by simply adding additional data busses, as required. Data buss redundancy ensures continuous operation in the event of data buss failure.

The ACE consists of an integrated control unit that is interfaced to each CCR either internally or within a small external enclosure. Optional packages can be added depending on system requirements. The ACE features quick control response, unparalleled monitoring performance, and built-in programmable fail-safe modes. Configuration and calibration of the ACE is performed directly through the ALCS user interface, eliminating the need for dedicated programming devices or laptop computers.

The ACE can control and monitor a wide variety of airfield lighting equipment and provides advanced monitoring information about its operating status.

Control
- Up to 32 discrete input/output points
- Soft-start CCR control
- Programmable fail-safe modes
- Latching control capabilities

Constant Current Regulator Output Monitoring
- Exceeds all L-827 monitoring requirements per FAA Advisory Circular 150/5345-10 (current edition)
- Exact, or percentage, lamp out monitoring
- Easy calibration
- True RMS current monitoring
- True RMS voltage monitoring
- True power monitoring
- Minimum current flow detection
- Run-time at each brightness level

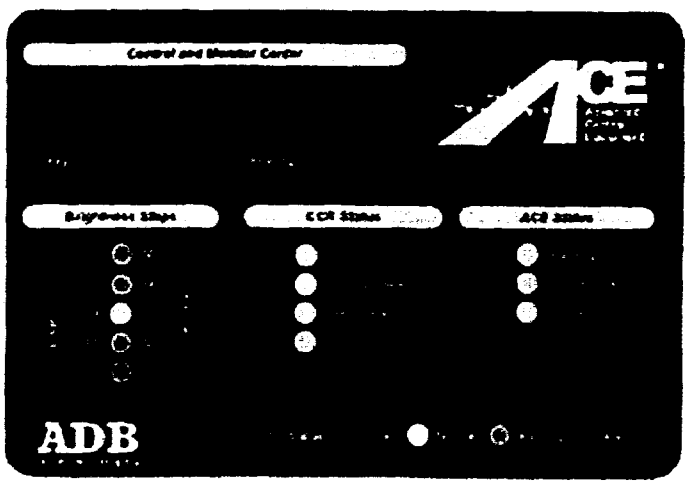
Constant Current Regulator Input Monitoring
- True RMS input current monitoring
- True RMS input voltage monitoring
- True input power monitoring
- Input power factor
- CCR efficiency

Optional IRMS
- Accurate resistance measurements from less than 20kv to 2000Mv (2Gv)
- Accurately measure both energized and de-energized circuits
- Uses 50 or 500 V DC source
- Automatic self-calibration prior to each circuit measurement
- See ADB IRMS Catalog Sheet 1218

Other Control/Monitoring Applications
- Approach lighting
- Beacon, Wind Cone, etc.
- Generator
- Uninterruptable Power Supply (UPS)
- Auto Transfer Switches (ATS)
- Transient Voltage Surge Suppression (TVSS)

Customer Benefits

- Reduced maintenance costs
- Increased reliability
- Easy Installation
- Reduced wiring costs
- Savings realized in wireway, trays and conduit
- Reduced installation time
- Reduced number of terminations and wire labels
- Reduced risk of single point failure



ACE™ Local Status Display

Electrical Specification

Input: 95V to 265V AC, 50/60 Hz
Power: 16W

Mechanical Specification

Wall mount enclosure:
Dimensions: 17.38 H x 15.12 W x 3.88 D -inches
44.15 H x 38.41 W x 9.90 D - cm

Interface Connections

Communications between ACE and Computer System

- Two (2) independent communication links each require a shielded, two pair with a common drain wire
  Connections terminated at computer with RJ45 connectors
  Connections terminated at ACE device at terminal blocks or RJ45 connectors

ACE Power

- 120V AC and ground connection from power source or UPS power to the ACE unit
- 120V AC and ground connection between ACE and CCR monitoring modules (located near or within the CCR)

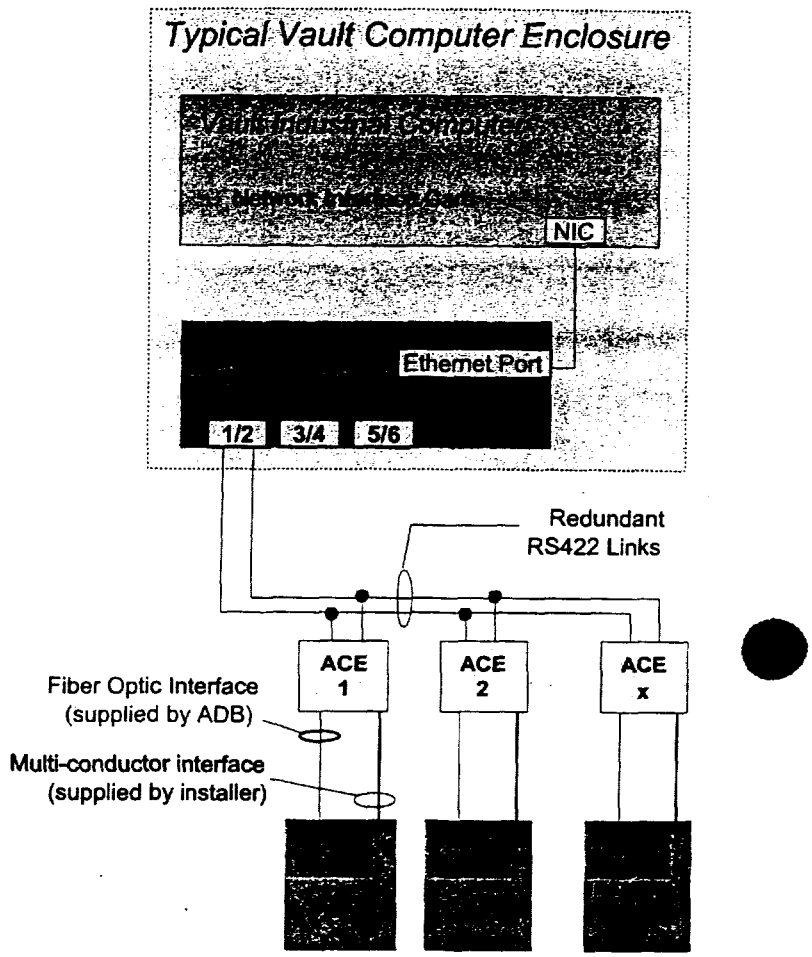
Control and Monitoring between ACE and Constant Current Regulator

Step control and CCR status monitoring requires a twelve (12) conductor, 600V rated cable

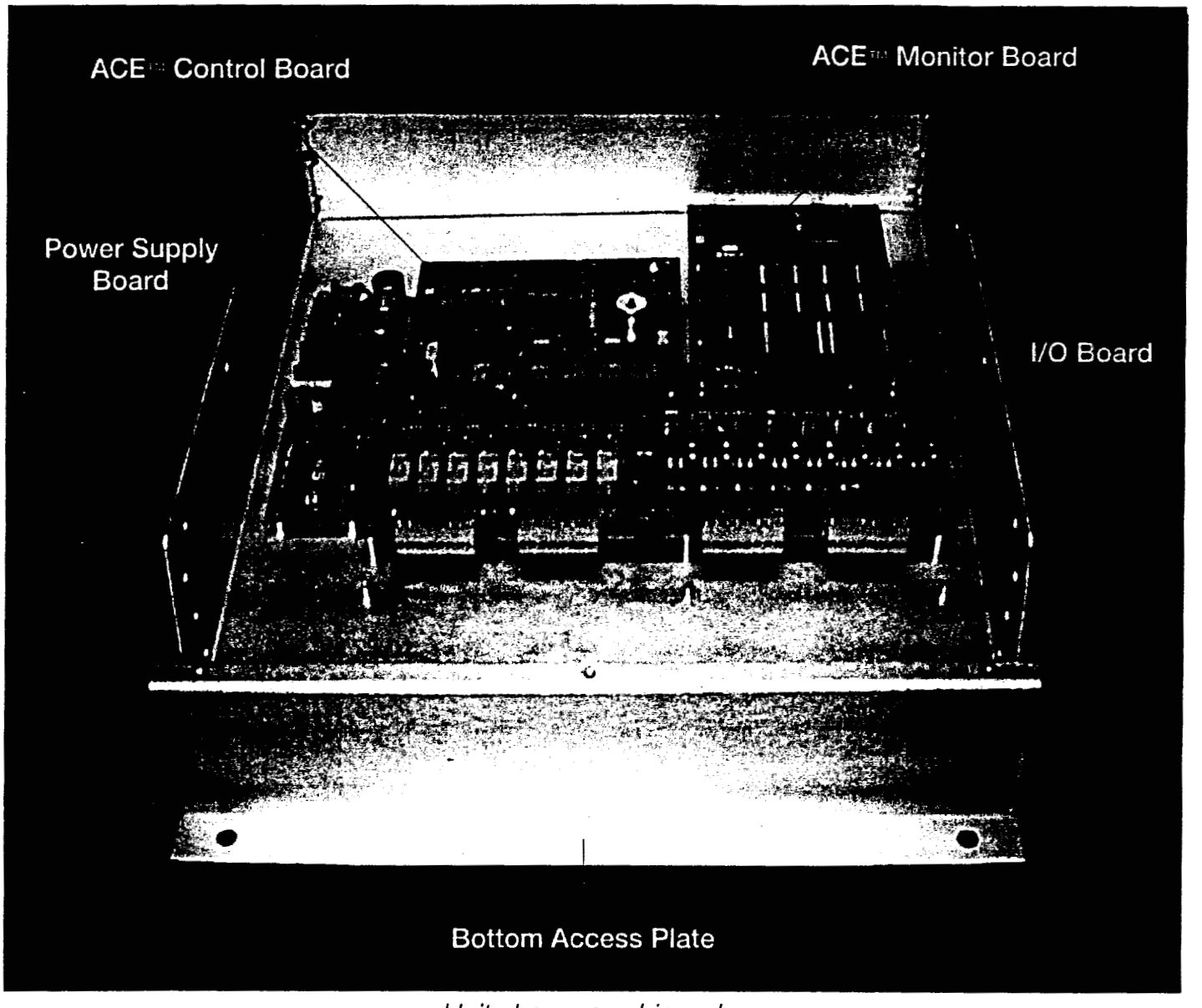
- CCR control and monitoring +24 to +48V DC or 85V AC to 265V AC
  Current and Voltage Monitoring is via a fiber optic cable supplied to specified length by ADB
- Insulation Resistance Monitoring is via a fiber optic cable supplied to specified length

Please contact the ADB Sales Department for information regarding the Ordering Code of the ACE unit.

System Block Diagram



Inside View



Unit shown as shipped.

The information contained in this document is subject to change without notice. ADB reserves the right to make changes and improvements to its products and assumes no responsibility for making these modifications on any equipment previously sold.

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A Siemens Company

SECTION 8

Security Plan - Typical

DISTRIBUTION OF COPIES

Lakefront Airport Security Plan

COPY

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AIRPORT SECURITY PROGRAM

LAKEFRONT AIRPORT

RECORD OF AMENDMENTS

CHANGE NO	CHANGE TITLE	PAGE NO.	DATE SUBMITTED	DATE APPROVED	DATE POSTED	POSTED BY

LAKEFRONT AIRPORT

AIRPORT SECURITY PROGRAM

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SECURITY PROGRAM

PART I INTRODUCTION

A. PURPOSE

The facilities and procedures contained in this program are designed to provide for the safety of persons and property.

B. NAME, LOCATION, ADDRESS, AND IDENTIFIER

1. Name: Lakefront Airport
2. Location: New Orleans, Louisiana
3. Mailing Address:
4. Identifier: NEW
5. Telephone:
6. Fax Number:

C. ADMINISTRATION

1. Owned by: Board of Commissioners Orleans Levee District
2. Operated by: American Airports Corporation, L.L.C.
3. Director of Aviation:
4. Airport Police Chief:
5. ARFF Chief:

PART II AIRPORT SECURITY COORDINATOR (ASC)

A. NAME OF COORDINATOR

The Airport Security Coordinator (ASC) of the Airport is:

The alternate Airport Security Coordinator is :

The Airport Security Coordinator or alternate can be reached on a 24 hour basis by telephone: through the Communications Office or at digital pagers 1-800- - and through the Airport office during work hours at 916- - .

Original Date:

The Airport Security Coordinator (or in his/her absence the alternate) will serve as the primary contact for security related activities and communications with airport tenants. The ASC is charged with general oversight of airport security functions.

B. DUTIES AND RESPONSIBILITIES

The Airport Security Coordinator (ASC) shall maintain liaison with the Airport Director.

Duties and responsibilities of the Airport Security Coordinator are as follows:

1. Timely provision of such evidence of compliance.
2. Maintaining and providing on request a complete and current list of all individuals afforded authorized unescorted access to secured areas.
2. Maintaining and updating the Airport Security Program to reflect the current state of conditions at the airport.
7. Timely distribution of the ASP, or appropriate parts thereof, to appropriate persons or entities.
8. Proper dissemination of all correspondence or other communications.
9. Daily oversight of security provisions at the airport and compliance with the security programs.
10. Ensuring that he or she, or a designated alternate, is available to accompany and assist upon request in the performance of their official security-related duties.
11. Ensuring that he or she, or a designated alternate, is available to act as the airport's operational counterpart.

PART III AIRPORT SAFETY/SECURITY COMMITTEE

A. COMPOSITION OF COMMITTEE

ASC/Security

Director of Aviation

Tenants

Lakefront Operations Dept.

B. OBJECTIVE

The committee meets on a quarterly basis at the call of its Chairman to review the safety and security of operations and to implement needed procedures.

PART IV SECURITY EDUCATION/TRAINING

A. REQUIREMENTS

All personnel having responsibilities of interest in the protection of the AOA and other critical areas are required to understand what is expected of them, and to have a working knowledge of the Airport Security Program and its purpose.

EMERGENCY PROCEDURES

Emergency procedures for response to aircraft incidents, such as hijackings, sabotage, bomb threats, etc. are covered in the Airport Emergency Plan.

B. SECURITY EDUCATION/TRAINING PROGRAM

No person will be issued identification media that provides unescorted access to any Secure Area at the airport, unless that person has successfully completed training and application requirements.

The minimum topics for training are:

1. Control, use, and display of airport-approved identification or access media.
2. Challenge procedures.
3. Non-disclosure of information regarding the airport security system or any airport tenant's security system.
4. Airfield Familiarization

The airport will maintain a record of all training given to each person until after the termination of that person's unescorted access privileges.

All tenants will gain additional information about the use of access media through the Airport Safety/Security Committee and by "Letters of Instructions".

PART V SECURITY IDENTIFICATION DISPLAY AREA

The Security Identification Area of the airport shall consist of all areas beyond the security fence area of the Airport.

PART VI LIAISON

A list of persons and agencies with phone numbers with whom liaison must be maintained on a frequent and continuing basis regarding airport security matters is attached as exhibit S-A. The list includes:

Airport Staff

Tenants – AOA

Tenants – Off AOA

PART VII AIRPORT ACTIVITY

A. HOURS OF OPERATION

1. Flight operations occur 24 hours daily.

B. ACTIVITY BY ORGINAZATIONS

1. Fixed Base Operators (FBO) serving the airport are:
2. Tenant List:
3. Military Organizations:

PART IX AIRPORT SECURITY

A. DESCRIPTION OF AIRPORT

1. Location: Map is attached as Security Exhibit S-B
2. Acreage: Approximately acres.

B. AOA ACCESS CONTROL PROCEDURES

1. The entire air operations area (AOA) is enclosed by galvanized cyclone fencing a minimum of six (6) feet high. At the top of this fence there are three (3) strands of barbed wire strung horizontally, and placed approximately six (6) inches apart resulting in a minimum height of seven (7) feet. These strands of barbed wire are supported by galvanized outriggers extending outward at a 45-degree angle so as to make entry over the fence and onto the AOA more difficult. There are no gaps under the fence, which would allow unauthorized entry. A cleared six (6) foot security corridor exists, wherever possible, on both sides of the parameter fence encompassing the airport.

Additionally, the AOA perimeter has signs placed approximately 500 feet apart along the fence line warning against trespass. Vehicle and pedestrian gates accessing the AOA have the same height and construction standards as the perimeter fence. Gates/doors providing access to the AOA are classified as security gates/doors and have individual non-duplicative keys and padlocks.

2. Overall security is the responsibility of the airport, which has jurisdiction and control over the airport. This security responsibility is exercised through Airport Security who coordinates with Police Law Enforcement Officers.

1. The tenants are assigned responsibility for the areas under lease and the adjacent aircraft parking ramp utilized by their aircraft when parked there. Requirement for positive identification of employees and other personnel granted access to the AOA through the Tenant leased area is the responsibility of the Tenant. Secured Area or similar Airport Security signs are posted at appropriate locations.

2. Fixed Base Operators are assigned 24- hour security responsibilities for general aviation areas leased to the operators, and similar identification requirements for employees and personnel on or near the aircraft ramp are a responsibility assigned to the Fixed Base Operators.

3. Control of unauthorized access to the AOA through any gate, door, or opening is the responsibility of the Airport. Exhibit S-D accurately describe each gates of the parameter by identification and type.

4. There are no exclusive use areas at the airport.

5. The Airport has CCTV cameras. The CCTV monitors possess pan/tilt and lens control. All CCTV monitors are observed by airport security located in the communications office. Please see exhibit S-C for CCTV locations.

12. The airport operator has established a process to ensure that all tenants provide immediate notification to the airport operator when:

- An individual's access authority has been revoked or limited
- An individual's access medium has been lost or stolen
- The Tenant becomes aware that the access control system or a component of the system has been compromised or threatened through any means

C. AOA ACCESS CONTROL

1. SYSTEM

The AOA Access Control procedures at the airport will consist of a system described as follows:

A Key/Lock system controlled by the airport operator and managed by airport security. All gates and doors under this section have the capability to:

- Ensure that only those persons authorized to have access to secured areas are able to obtain that access.
- Deny access immediately at the access point or points, to individuals whose authority to have access changes.
- Differentiate between persons authorized to have access only to a particular portion of the secured area or to the entire area.

IDENTIFICATION PROCEDURES

1. Personal Identification and Control

All persons who require access to the Secure Area must wear an Airport Security Badge or be continuously escorted by a person with an Airport Security Badge who is authorized to provide such escort. This badge must be displayed at all times while in the secure area. No other forms of identification have been approved for use at the airport.

A. BADGE CRITERIA

All persons who require unescorted access to the AOA must meet the requirements of their employer, and any additional criteria requirements of the airport.

B. Badge Features

Standard and construction Supervisor Badge

- Size 2 1/8" x 3 3/8"
- Color coded, designating degree of access.
- Laminated
- Wearable by removable clip.
- Security Mark within laminate.
- Contains the following items on the front of the badge:
  - Name of airport.
  - Four digit unique serial number of I.D..
  - Airport logo.
  - Full face color picture of badge holder.
  - Name of badge holder.
  - Expiration date (Mo-Yr) of badge.
  - Security access level (color-code).
  - Three-letter company designator.
- Contains the following printed statements on the back of badge:

This identification badge must be worn externally while on the AOA.

This badge is the property of the Airport and must be shown and/or surrendered upon demand by a representative of the Airport or Airport Aviation tenant representative authorized to inspect or retrieve security badges. Unauthorized use of this badge will subject the card holder to prosecution.

If found, deposit in any mail box; return postage is guaranteed.

Lakefront Airport

Or call: Airport Security Office:

24-hour digital beeper:

C. Access Color Coding

Each employee will be issued a badge with appropriate background color coding to allow him/her the required access authority to the AOA to perform assigned duties as follows:

(a) Green This access authority will be issued to airport personnel and government employees requiring access to the AOA.

(b) Yellow This access authority will be issued to tenant employees requiring access to the AOA.

D. Badge Issuing Procedures

1. The badge sponsors are responsible for submitting and maintaining a current "Authorized Signature Letter" on file with the airport. Only identification badge application forms containing the current authorized signature (no signature stamps will be permitted) for the approved Badge Sponsor will be accepted.

2. Prior to the production and issuance of any airport security identification badge, the appropriate application form must be properly prepared by a badge sponsor and submitted to the Airport Authority I.D. badge office.

3. The security badges will normally be produced Monday through Friday between 0900 and 1600 hours at the Lakefront Airport Security I.D. badge office. The applicant must present himself or herself with the completed application form. The application will be reviewed for approval, applicant checked for any outstanding I.D. badges and photograph taken. The produced I.D. badge will be given to the applicant upon the completion of the Security Training Program (refer to S-). Applicants for a renewal or a replacement badge will be required to complete a new application and return the previous badge.

E. Security Badge Regulations

(1) All persons on the AOA of the Airport, Unless under close escort by an appropriately badged individual, will be required to display on their person at all times the appropriate identification badge. The identification badge will be displayed on the front upper portion of the body on the outer garment so as to be clearly visible.

(2) Personnel of the U.S. Government Agencies who have a need for regular access to the AOA of the airport will be issued an appropriate airport identification badge.

(3) It is not permissible, under any circumstances, to use another person's identification badge, or to allow another person to use the Airport Identification Security Badge that was issued to the badged individual.

(4) Mutilation or alteration of any identification badge will invalidate the badge.

(5) Airport identification/security badges remain the property of the airport and must be returned to the Badge Sponsor or surrendered to the airport upon the individual termination of employment or work assignment at the airport.

(6) The airport reserves the right to revoke or refuse authorization of any individual for airport identification security badges where such action is determined to be in the best interest of airport security.

(7) It is the responsibility of each identification security badge holder to challenge any individual the AOA that is not displaying an appropriate airport identification security badge. Any person who is not displaying or cannot produce a valid identification badge should be referred to airport security. It will be replaced only after the person to whom the badge was issued files a written report to the Director of Aviation explaining the circumstances leading to the loss or theft. A replacement charge of $15.00 shall be levied at the time of replacement. Further, a fine in accordance with Airport Resolution may be levied for a lost, stolen, or mutilated badge. If a lost badge is found and surrendered to the Airport Office, a refund of the fine, if such fine has been imposed, may be made to the employee. A stop list of unexpired badges reported lost or stolen by name, company, and serial number will be kept posted in the Airport Security Office for reference as may be required.

(8) All lost, stolen, or otherwise not properly accounted for or returned security badges must be promptly reported by the Badge Sponsor, then in writing to the Director of Aviation.

F. Badge Accountability

(1) All security badges prominently display an expiration date which is a maximum of twenty-four (24) months from date of issue. The expiration date is printed in a sharp contrasting

(8) Contractors, supervisors, and employees who work in an unsupervised capacity within the AOA must wear the airport security badge at all times.

G. AOA ACCESS CONTROL DEVICE (Lock, Key)

1. The airport is responsible for the administrative control of the lock and key system. A computerized and manual listing of the keys issued will be maintained enabling the Airport Authority to have the capability to provide a list of all persons to whom access media has been issued.
Lock and key records are cross referenced by serial number, location, key holder/organization, and number of keys per keyway. Access point keys will be inventoried every three (3) months or sooner if required.

Lost, stolen, or otherwise unaccounted for keys must be immediately (at the moment of awareness) reported to airport security. Upon receipt of notification that a key has been lost, stolen or is otherwise accounted for, airport security shall change the lock. Written notification describing the conditions under which the key became unaccounted for shall be forwarded to the Director of Aviation, as soon as possible, and shall be prior to issuance of a replacement key. In the event a lock has to be changed, the charge for the lock will be billed to the tenant or organization responsible.

2. F.B.O.'s and other tenants control their keys and lock devices to meet the Airport Security Program as well as their own particular security needs.

3. The Aircraft Rescue Firefighters (ARFF) station vehicle gate located at the center airfield (ARFF) Station will be controlled by a non-duplicative key activated access system (stand alone).

4. Perimeter maintenance access gates have High Security "Best" locks with non-duplicative keys, and are controlled by Airport Security personnel who must respond in various situations of emergency and non-emergency.

5. Contractor locks used in secure areas are provided by the airport with separate non-duplicative keys and are interlocked with airport locks, thereby, providing more stringent control.

6. Key holders are discouraged from permitting unauthorized access to secure areas by a system of security violations and penalties as authorized by Airport Resolution.

7. Grand master and sub master keys are not personally retained nor are they removed form airport property except by airport management. Additionally, all security keys and master keys are stored in a secure area. Master keys that are required to be transferred between personnel during shift changes are accounted and signed for.

8. Replacement of any lock is possible within one (1) hour and if compromised the entire lock and key access system will be replaced within eight (8) hours.

9. Access locks/cores are changed out immediately if keys cannot be accounted for.

10. Key holder understanding and compliance requirements are communicated to them through special instruction given at the time of issue.

11. The lock and key custodian at the airport is of the airport staff and has assumed responsibility for all lock and key accounting procedures.

H. Law Enforcement

Airport Security will be on a roving patrol on a 24-hour basis. Each security guard is responsible for checking in at various locations around the airport. Airport Security has the authority to contact law enforcement in the event of breached security, trespass and other crimes that may be witnessed by the security guard or tenant of the airport.

SECTION 9

Emergency/Contingency Plan

SECTION ONE - GENERAL INFORMATION

1. PURPOSE

The purpose of this Emergency/Contingency Plan is to establish procedures that will insure adequate safety and security for the McClellan Airfield, tenant business firms and the flying public.

2. OBJECTIVE

To provide professional direction of emergency efforts at McClellan Airfield and maintain the highest level of safety and security.

3. DESCRIPTION OF AIRPORT

McClellan Airfield is a general aviation airport owned by the County of Sacramento and operated by McClellan Park mainly serving general aviation and aircraft maintenance needs for the Sacramento metropolitan area.

Airport Diagram

The Airport is located in McClellan, California, approximately 11 miles from the City of Sacramento. It is

situated on approximately 3,778 acres located in the County of Sacramento. The Airport is bounded to the north by Elkhorn Blvd., Raley Blvd. to the west, Watt Avenue to the east, and Roseville Road, I-80, and North Avenue to the south. The general vicinity of the Airport consists of industrial/commercial properties and intermixed residential dwellings. *Further description to be added.*

4. AIRPORT OPERATION CHARACTERISTICS

A. TRAFFIC DENSITY, USE

The airport is currently a public use general aviation airport. At present, the airport is characterized by a broad spectrum of activities including considerable business, major aircraft maintenance, aircraft sales, United States Coast Guard, and corporate activity utilizing heavier general aviation turboprop and jet aircraft. The airport does not have scheduled passenger service.

B. AIRCRAFT SIZE/ SEATING CAPACITY

The type of aircraft that use the airport range in size and capability from large business jets to small single engine aircraft and helicopters. Passenger capacities of aircraft frequenting the airport typically do not exceed 20 seats; however, the runway length and weight bearing capacity can allow aircraft with up to 400 seats.

C. AIR TRAFFIC CONTROL TOWER

McClellan Airfield does not have an active control tower. McClellan Airfield is an uncontrolled airport. Communications are used by Unicom frequencies monitored by airport personnel.

5. HOURS OF OPERATION

The airport is open to the public 24 hours a day. Aviation services (fueling, ground handling, maintenance) typically are available 24 hours a day The Airport Manager's office is open weekdays during business hours.

6. COMMUNICATIONS

Communications are provided by public and private telephones located in numerous areas throughout the airport. The Airport Manager is equipped with radio communications to County and aviation frequencies. Emergency communications on the airport should originate by telephone or Unicom.

UNICOM:

TELEPHONE #:

7. EMERGENCY/CONTINGENCY COMMITTEE

A security committee shall meet as needed to provide information and updates to concerned parties. The committee will consist of the following:

McClellan Park

Airport Manager

Airfield Security and McClellan Park Security

ARFF representive, and Fire Chief, Fire Department

Chairman, McClellan Airfield Safety Committee

Tenant Representives

Others TBD

SECTION TWO - SAFETY AREAS

1. GENERAL

The runway safety area extends 500 feet each side of the centerline and 1000 feet from each runway threshold. All temporary objects within the safety areas will be reported via NOTAM, airport radio advisory or other appropriate means. The runway and taxiway safety areas shall be:

a. cleared and graded and has no potentially hazardous ruts, humps, depressions, or other surface variations;

b. drained by grading or storm sewers to prevent water accumulation;

c. capable, under dry conditions, to support aircraft rescue and firefighting equipment, and the occasional passage of aircraft without causing structural damage to the aircraft.

d. free of objects, except for objects that need to be located in the runway safety area because of their function. These objects shall be constructed on frangible couplings not to exceed three inches above grade.

3. INSPECTION PROCEDURES

A self- inspection program of regular inspection of pavement areas has been established to insure that prompt and accurate corrective action is taken to eliminate unsafe conditions on the airport. The procedures listed in Attachment I-1 will be used to inspect

pavement areas for discrepancies, necessary corrective action and notification of personnel responsible for maintenance and repair. The procedure for recording each airport inspection is listed in Attachment II-2, Weekly Airport Inspection Report.

SECTION THREE - PHYSICAL SECURITY OF AIRPORT

and that manually controlled lights are functioning.

b. Check other lighting for proper operation.

3. Personnel Identification

a. Make periodic inspection of Airport Operations Area to determine that only authorized personnel are within the area.

4. Vehicle Identification

a. Make periodic inspections of Airport Operation Area to determine that only authorized vehicles are within the area.

b. Make periodic checks of parking areas adjacent to the terminals.

c. Check personal identification of drivers of authorized vehicles to determine if they have authority to operate the vehicle.

5. Buildings and Other Areas

a. Make periodic checks of all tenant areas to insure that no illegal entries are attempted and report to the Sacramento Sheriffs Department any observations considered justified.

6. Forms and Reports

a. Complete all required form and reports.

C. AIRPORT OPERATIONS

Airport Operations shall monitor overall security of aircraft operations and notify the Airport Manager of any deficiencies.

D. AIRPORT TENANTS

Tenants and their employees should investigate security matters that pertain to their operations. If the tenant is unable to accomplish the investigation or correct the violation, then they should inform the Airport Manager or the County of Sacramento Sheriffs Department as appropriate.

3. **AIRCRAFT OPERATIONS AREA**

The Aircraft Operations Area (AOA) includes the apron, runway, and taxiways. In order to ensure safe operation, the AOA must be secured to help prevent vehicle, pedestrian and animal incursions. The AOA is enclosed by a system of fences and vehicle access gates. Currently, there are _____ vehicle access gates surrounding the airport. _____ of the gates are padlocked and the remaining _____ gates are digitally accessed by four or five digit codes.

List

Gate Codes

**Provisions allowing access to the AOA by authorized vehicles can be found in the *Rules and Regulations for McClellan Airfield.*

4. **AIRCRAFT AND MOTOR VEHICLE FUEL STORAGE**

Address operation.

5. IDENTIFICATION OF PERSONNEL

The number of personnel authorized access to the air operations area is such that personal recognition is possible. Tour groups, such as school, scouts, etc. are escorted by an authorized airport employee. Groups are normally provided tours only by prior arrangements.

II. SECTION THREE - ACCIDENTS, INCIDENTS AND DISASTERS

1. GENERAL

(In compliance with FAA Advisory Circular series 150) This section describes the procedure and duties of McClellan Airfield and the Airport Operator personnel in the event of an aircraft crash or serious fire, either on the airport or off the airport.

A. ACCIDENT REPORTING

The operator of the aircraft is required by law to notify the nearest National Transportation Safety Board (NTSB) field office immediately and by the most expeditious means available when there is an aircraft accident or certain other types of incidents.

1. "Aircraft Accident" means an occurrence associated with the operation of an aircraft that takes place between the time any person boards the aircraft with the intention of flight and all such persons have disembarked, and in which any person suffers death or serious injury, or in which the aircraft receives substantial damage.

2. "Serious Injury" means any injury which: (1) Requires hospitalization for more than 48 hours, commencing within 7 days from the date the injury was received; (2) results in a fracture of any bone (except simple fractures of fingers, toes, or nose); (3) causes severe hemorrhages, nerve, muscle. or tendon damage; (4) involves any internal organ; or (5) involves second- or third-degree burns, or any burns affecting more than 5 percent of the body

surface.

3. "Substantial Damage" means damage or failure which adversely affects the structural strength, performance, or flight characteristics of the aircraft, and which would normally require major repair or replacement of the affected component. Engine failure or damage limited to an engine if only one engine fails or is damaged, bent fairing or cowling, dented skin, small punctured holes in the skin or fabric, ground damage to rotor or propeller blades, and damage to landing gear, wheels, tires, flaps, engine accessories, brakes or wingtips are not considered "substantial damage" for the purposes of this part.

4. The following incidents require immediate notice.

   a. Flight control system malfunction or failure;

   b. Inability of any required flight crewmember to perform normal flight duties as a result of injury or illness;

   c. Failure of structural components of a turbine engine excluding compressor and turbine blades and vanes;

   d. In-flight fire; or

   e. Aircraft collide in flight.

   f. Damage to property, other than the aircraft, estimates to exceed $25,000 for repair (including materials and labor) or fair market value in the event of total loss, whichever is less.

g. for large multiengine aircraft (more than 12, 500 pounds maximum certificated takeoff weight);

1. In-flight failure of electrical systems that requires the sustained use of an emergency bus powered, or air-driven generator to retain flight control or essential instruments;

2. In-flight failure of hydraulic systems that results in sustained reliance on the sole remaining hydraulic or mechanical system for movement of flight control surfaces;

3. Sustained loss of the power or thrust produced by two or more engines; and

4. An evacuation of an aircraft in which an emergency egress system is utilized.

h. An aircraft is overdue and is believed to have been involved in an accident.

B. INITIAL NOTIFICATION TO FAA

Provide as much of the following information as possible:

1. Name of location of where calling from.
2. Location of Accident/Incident site.
3. Number of injured and fatalities.
4. Type of aircraft and "n" number, if available.
5. Other information of immediate value.

6. Leave number for possible call back, if possible.

2. AIRCRAFT CRASH OR FIRE ON AIRPORT DURING ADMINISTRATIVE HOURS

A. AIRPORT OPERATIONS

1. Make a determination whether emergency equipment is needed.
2. Contact Airport Manager and advise of the situation.
3. Monitor area air traffic and advise aircraft of airport status, open and close airport as directed.

B. AIRPORT MANAGER OR DESIGNEE

1. Proceed to the most critical area of activity and direct activities in conjunction with local emergency official.
2. If there is extensive wreckage, fire and/or injuries, set up an Emergency Response Staging Area as depicted in the ALP Attachment II-1.
3. If the aircraft is disabled on or adjacent to a runway or taxiway, have a NOTAM issued to close that area. NOTE: Aircraft should not be moved without permission of the NTSB.
4. In conjunction with local emergency officials, provide security of accident until relieved by FAA, NTSB, or military.
5. Notify FSS when wreckage has been removed and when to re-open the airport or resume normal operations.

C. OPERATIONS SUPERVISOR

1. Complete notification list. (See Attachment II-2)

2. Direct rescue/emergency vehicles to the scene.

3. Maintain communication with ATCT, FSS and emergency crews.

4. Complete Incident Report. (See Attachment II-3)

D. AIRPORT OPERATIONS OFFICER

1. Perform duties as assigned by the Airport Manager.

2. If the Airport Manager is not available, perform all duties listed in (A) above.

3. After release by the FAA, NTSB or military, coordinate removal of wreckage with FBO, owner or military.

4. Perform a runway check to assure that there is no debris on the runway.

E. AIRPORT TENANTS

1. Notify Airport Manager immediately.

2. Assist rescue vehicles in gaining access to AOA if requested by Airport Manager.

3. Instruct all non-involved parties to remain clear of AOA.

3. **AIRCRAFT CRASH OR FIRE ON AIRPORT DURING NON-ADMINISTRATIVE HOURS**

A. AIRPORT OPERATIONS

1. Make a determination whether emergency equipment is needed.
2. Make contacts from emergency contact list.
3. Monitor area air traffic and advise aircraft of airport status, open and close airport as directed.

4. **AIRCRAFT CRASH OR FIRE OFF AIRPORT**

A. AIRPORT MANAGER OR DESIGNEE

1. Complete notification list. (See Attachment II-2)
2. Make determination in conjunction with Airport Manager, if available, to close or restrict airport operations.
3. Proceed to scene.
4. Report to authorities at the scene. If first to arrive, direct activities until emergency enforcement officials arrive.
5. Return to the airport as soon as possible.
6. Complete Incident Report. (See Attachment II-3)

5. **REMOVAL OF DISABLE AIRCRAFT - RESPONSIBILITY**

A. PILOT OR OWNER/OPERATOR

The pilot or owner/operator of an aircraft disable while on a runway or taxiway will be responsible for the prompt removal of such aircraft as directed by the Airport Manager. In the event of his failure to comply with his responsibility the Airport Manager may arrange to have the aircraft removed at the expense of the aircraft owner/operator without liability for damage resulting in the course of removal.

B. Airport Manager

1. Close the affected runway or taxiway, and proceed to the aircraft.
2. Make a determination whether emergency equipment is required.
3. Advise pilot/operator of need for immediate removal.
4. Offer assistance to help pilot contact aircraft removal company for removing the aircraft.
5. Insure that disruption to air operations is kept to a minimum during removal.

C. AIRPORT OPERATIONS OFFICER

1. Coordinate removal activities with authorized removal company and owner/operator.
2. Perform duties as assigned by the Airport Manager.
3. If Airport Manager is not available, perform responsibilities as outlined in part B above.

6. BOMB INCIDENT

A. INTRODUCTION

Bomb threats may be received by airport tenants, airport employees, and McClellan Park personnel. Usually the person reporting the bomb remains anonymous. All bomb threats, are to be considered dangerous and a threat to human life and property. These instructions set forth the procedures to be followed whenever a bomb threat is reported.

B. POLICY

Although most bomb threats prove to be nothing more than the work of cranks and pranksters, they must be handled as if an actual bomb threat does exist. It is our primary function to safeguard the life and property of all concerned.

C. RESPONSIBILITY

1. The Airport Manager or his designee shall be responsible for carrying out the procedures detailed in these instructions. However, no airport employee shall be responsible for removing, handling or disarming any bomb or other contrivance that may appear to be a bomb, unless they are specifically trained and equipped for this work. The Sacramento Sheriffs Department does have trained and equipped bomb squads who can be summoned for assistance.
2. The employee on duty will complete the notification list. (See Attachment II-2)

12. NUCLEAR ACCIDENTS/INCIDENTS

A. GENERAL

Accidents involving nuclear weapons or radioactive material are possible and create potential hazards. The actual detonation of a nuclear weapon is highly unlikely, however the detonation of an attached conventional weapon is possible. This detonation could cause radioactive material to leak into the atmosphere causing various levels of radiation. In flight emergencies involving aircraft carrying nuclear weapons or explosives are not required to inform the FAA if the emergency involves a nuclear weapon, only that an emergency exists. Upon receipt of an emergency involving radioactive material, precautionary measures must be implemented.

B. PROCEDURES

a. Upon receipt of information that the presence of a damaged radioactive materials container is in the area, the information will immediately be forwarded to the ARFF and Civil Defense Officer.

b. Clear the area of personnel for a distance of 1500 feet from the container/or aircraft and restrict all but essential traffic.

c. Isolate the area by placing barricades and radiation warning signs around its perimeter.

d. The concept of handling conventional weapons will be adhered to.

e. Establish a perimeter of 1500 feet around the weapon or aircraft to protect against possible explosions and radiation.

f. Attempt to keep all activity up-wind from the area.

h. If either a damaged or leaking radioactive container or weapon is on board an aircraft, the aircraft will be instructed to proceed without delay to the designated isolation area and remain in that area until released by AEC/DOD authorities.

i. Complete Notification List. (See Attachment II-2)

13. STRUCTURAL FIRES

A. GENERAL

This section contains procedures for Airport Personnel to follow in the event of a structural, brush, grass, or vehicle fire on the airport. In general, anyone receiving information or observing a fire should notify the Sacramento County Fire Department immediately.

B. PROCEDURES

a. Complete notification list. (See Attachment II-2)

b. Proceed to scene of fire and provide crowd control and traffic control until relieved by law enforcement personnel. Give assistance to Fire Department.

c. Request cut off of electrical and gas supply to structure.

d. Complete Incident Report. (See Attachment II-3)

14. EARTHQUAKE PROCEDURES

TBD

f. Attempt to keep all activity up-wind from the area.

h. If either a damaged or leaking radioactive container or weapon is on board an aircraft, the aircraft will be instructed to proceed without delay to the designated isolation area and remain in that area until released by AEC/DOD authorities.

i. Complete Notification List. (See Attachment II-2)

13. STRUCTURAL FIRES

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a. Complete notification list. (See Attachment II-2)

b. Proceed to scene of fire and provide crowd control and traffic control until relieved by law enforcement personnel. Give assistance to Fire Department.

c. Request cut off of electrical and gas supply to structure.

d. Complete Incident Report. (See Attachment II-3)

14. EARTHQUAKE PROCEDURES

TBD

SECTION 10

Minimum Standards Example

MINIMUM STANDARDS

FOR

AIRPORT AERONAUTICAL ACTIVITIES

AT

LAKEFRONT AIRPORT

MINIMUM STANDARDS
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INTRODUCTION

The establishment of minimum standards under which aeronautical activities are to be conducted on the Lakefront Airport is intended to accomplish two broadly based and overlapping goals:

1) To provide an environment in which aeronautical activities can fairly compete on a relatively equal basis,

2) To promote the quality delivery of goods and services to the aviation public.

The following sections of this document apply to all such aeronautical activities conducted at the Lakefront Airport.

1.GENERAL CONDITIONS:

A. Lessees shall arrange for suitable and required space, structures or facilities, each to be permanent, fire resistant, and compatible to the material and design of the newer basic structures on the airport.

B. All plans, specifications, architectural designs and landscaping shall require written approval of the Lakefront Airport.

C. All such tenants shall conduct their activities and render their services in a safe, responsible and efficient manner and shall be solely responsible for all acts of their agents and/or employees and shall save and hold Lakefront Airport harmless from any acts of the Lessee, its agents, employees and invitees.

D. No one shall be permitted to operate an aeronautical business activity at the airport without a fully executed lease agreement or permit with the Lakefront Airport incorporating these minimum standards and the airport's rules and regulations.

E. All tenants shall abide by and comply with the airport's Storm Water Pollution Prevention Plan, and all State and County Laws and Ordinances, Rules and Regulations of the Federal Aviation Administration and the Department of Transportation.

F. Lessees shall not sublease or assign any portion of their leased premises without the prior written approval of Lakefront Airport and, when approved, such subletting or assignment shall be subject to all of these minimum standards.

G. Tenants, in the operation and use of the airport, will not on the grounds of race, color or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by part 21 of the Department of Transportation regulations.

H. Lessees will be required to carry insurance coverages as determined by the Lakefront Airport, based upon risk attendant with any authorized type of operation, however, not less than $1,000,000.00 combined single limit for bodily injury and property damage.

I. Lessee shall begin payment of rent on their Leasehold on the effective date of their Lease.

J. All aeronautical activities shall demonstrate financial stability and business ability in general aviation related to their proposed activities to the satisfaction of the Lakefront Airport.

2. AIRCRAFT CHARTER AND/OR TAXI:

Any party desiring to engage in the charter of aircraft to the public must provide as a minimum the following:

A. **LAND.** A minimum area of 30,000 square feet to provide for a building, aircraft tie down area, and paved automobile parking.

B. **BUILDINGS.** A minimum of 4,000 square feet of building space, properly lighted and heated, which shall include office space, public lounge, restroom facilities, and public use telephone.

C. **TAXIWAYS.** Provide necessary taxiway access to public taxiway and runways.

D. **PERSONNEL.** At least two (2) persons having current commercial pilot certificates with instrument ratings and ratings appropriate for the type of aircraft to be flown. At least one full time employee will conduct office hours a minimum of eight (8) hours per day, five (5) days per week.

3. AIRCRAFT RENTAL:

Any party desiring to engage in aircraft rental must provide for repair services necessary to meet any warranties for the type of aircraft for which rental privileges are granted. Have available at least six (6) aircraft, one of which is twin engine and one of which must be IFR equipped, and must provide, at a minimum, the following:

A. **LAND.** A minimum area of 30,000 square feet to provide space for a building, display area, paved apron and paved automobile parking.

B. **BUILDING.** A minimum area of 4,000 square feet of building space, properly lighted and heated, which shall include office space, public lounge, restroom facilities and public telephone.

C. **PERSONNEL.** At least two (2) full-time employees, having current ratings appropriate for the types of aircraft to be rented. Provide an office space which shall be attended eight (8) hours per day at least five (5) days per week.

D. **AIRCRAFT APRON.** Provide a sufficient square footage of hard-surface apron for aircraft parking, with proper catch basins and underground drains, for service.

E. **AUTOMOBILE PARKING.** Provide sufficient paved area for parking of automobiles.

4. AIRCRAFT SALES:

Any party desiring to engage in aircraft sales, either new or used, must provide for, on site, a minimum stock of spare parts and provide repair services necessary to meet any warranties for the type of aircraft for which sales privileges are granted (during the sales guarantee only), or provide the customer with a written agreement specifying where such parts and service may be obtained and must provide, at a minimum, the following:

A. **LAND.** A minimum area of 30,000 square feet on which to provide space for a building, display area, paved apron and paved automobile parking.

B. **BUILDING.** A minimum internal area of 4,000 square feet of building space, properly lighted and heated, which shall include office space, public lounge, restroom facilities and public telephone.

C. **PERSONNEL.** At least two (2) full-time employees, having current ratings appropriate for the types of aircraft to be demonstrated. Provide an office space which shall be attended eight (8) hours per day at least five (5) days per week.

D. **AIRCRAFT APRON.** Provide a sufficient square footage of hard-surface apron for aircraft parking, with proper catch basins and underground drains, for service.

E. **AUTOMOBILE PARKING.** Provide a minimum of 4,500 square feet of paved area for parking of automobiles.

5. AIRFRAME AND POWER PLANT REPAIR:

Any party desiring to engage in repair of aircraft on the airport must provide as a minimum the following:

A. **LAND.** A minimum land area of 43,560 square feet on which to provide space for a building, temporary parking of aircraft, and paved automobile parking for customers and employees.

B. **BUILDINGS.** A minimum of 12,000 square feet of building space, 2,000 square feet of which shall include heated office space, storage, public lounge, restroom facilities, and a public use telephone. A minimum of 10,000 square feet of hangar space for maintenance and sufficient storage of aircraft, parts, and equipment.

C. **PAVED AREAS.** A leased or constructed paved ramp consisting of at least 20,000 square feet to provide temporary storage and parking of aircraft.

D. **PERSONNEL.** At least two (2) full time employees properly certificated by the Federal Aviation Administration to perform airframe or powerplant repair. At least one (1) of these employees must be appropriately certified an I.A.

E. **HOURS OF OPERATION.** Provide an office on the site which shall be attended eight (8) hours per day, at least five (5) days a week.

6. **CORPORATE HANGARS:**

A. A corporate hangar is a building constructed and used to store the owner's aircraft, and is intended for the exclusive use of the corporate owner/lessee. Such aircraft use is an adjunct to the corporation's primary business and is not the major source of income for the corporation. The use of corporate hangars in this defined context is also intended to include some tenants that provide charter service and operate with a certificate issued under Federal Aviation Regulations Part 135. Minimum standards for these facilities not otherwise specified in this document will be negotiated and approved by the Airport.

7. **FIXED BASE OPERATORS:**

A. **LAND.** A minimum area of seven (7) acres (304,921 square feet) to provide for buildings, paved automobile parking, dispensing equipment, and paved tie down area necessary to accommodate a variety of general aviation aircraft.

B. **BUILDINGS.** A minimum of 41,000 square feet of building space, to include 6,000 square feet of heated office space, restroom facilities, public lounge,

pilots' lounge, and public use telephones, and; a minimum of 35,000 square feet of hangar space.

C. **PAVED AREAS.** A paved aircraft parking and tie down ramp of at least 200,000 square feet, and sufficient paved area for the parking of automobiles.

D. **PERSONNEL.** An adequate number of properly trained persons shall be on duty during the required hours of operation for fuel dispensing. The office shall be attended at least 18 hours a day, seven (7) days a week. With provision made for 24 hour response subject to reasonable charge.

E. **AIRCRAFT SERVICE EQUIPMENT.** Emergency starting equipment and appropriate fire extinguishers along with adequate ground support equipment shall be provided to meet the needs of aircraft which normally use the airport.

F. **REQUIRED SERVICES.** Provide tie down and hangar storage for general aviation aircraft, both itinerant and local. Have available for sale aviation gasoline, jet fuel, oils and lubricants of kinds and grades customarily sold to general aviation aircraft, and automotive fuel for ground support equipment. Also provide the following:

Facilities for washing and cleaning aircraft, major maintenance and repair of general aviation aircraft, engine and avionics, maintain an adequate inventory of aircraft parts and accessories to maintain, repair and service general aviation aircraft.

G. OTHER SERVICES PERMITTED BY FBO.

1. Sale of new or used aircraft.
2. Aircraft rental.
3. Flight training.
4. Aircraft charter and air taxi.
5. Sightseeing flights.
6. Aerial survey, photography and mapping services.
7. Avionics sales and service.

8. FLIGHT TRAINING AND/OR GROUND SCHOOL:

Any party desiring to engage in pilot flight instruction and/or aviation ground school must provide a minimum of the following:

A. **LAND.** A minimum area of 30,000 square feet to provide space for a building, aircraft tie down area, and paved automobile parking.

B. **BUILDINGS.** A minimum area of 4,000 square feet of building space, which shall include at least 2,500 square feet of heated office space, public lounge, classrooms, restroom facilities and public telephone.

C. **TAXIWAYS.** Provide necessary taxiway access to public taxiways and runways.

D. **PERSONNEL.** At least two (2) full time employees properly certificated by the FAA as flight instructors, one (1) of which must hold a CFII, and both must possess additional ratings to cover the type of training offered. A certificated ground school instructor and certification by FAA as a flight training school. Have available at least six (6) aircraft, one of which is twin engine and one of which must be IFR equipped. Provide an office on the site which shall be attended eight (8) hours per day no less than five (5) days a week.

E. **AIRCRAFT AND AUTOMOBILE PARKING.** Provide a minimum of 15,000 square feet of hard surface apron for aircraft parking with proper catch basins and

drains, and a minimum of 4,500 square feet of paved area for parking of automobiles.

9. FLYING CLUB:

The following requirements pertain to all flying clubs desiring to base their aircraft on the airport:

A. Each flying club organization must be a non-profit corporation or partnership. Each member must have an equal share in the ownership of the aircraft or be a member of the corporation.

B. The club may not derive greater revenue from the use of its aircraft than the amount necessary for the actual use of operation, maintenance and replacement of its aircraft.

C. The club will file and keep current with the Airport, a complete list of the club's membership and investment share held by each member.

D. The club's aircraft will not be used by other than bona fide members for rental and by no one for hire, charter

or air taxi.

E. Each aircraft owned by the flying club must have aircraft liability insurance of not less than $1,000,000.00 combined single limit bodily injury and property damage.

10. COMPLIANCE:

A. Failure to comply with these requirements shall be a violation of airport minimum standards, and the Airport may take any action deemed advisable for each occurrence.

B. These requirements are effective with the date of adoption by the Lakefront Airport, and will be applicable to any leases signed after that date.

11. AMENDMENTS:

These minimum standards may be supplemented and amended by the Lakefront Airport from time to time and in such manner and to such extent as the Authority may deem proper.

IN WITNESS WHEREOF, the Airport has hereunto set their hands and seal this Ninth day of February, Nineteen Hundred and Ninety Five, in adoption of the above written Minimum Standards.

SECTION 11

Rules & Regulations

Sample set of rules and regulations developed for Part 139 Airport

Rules and Regulations for Space Coast Regional Airport

Section 1 Definitions
Section 2 General Provisions
Section 3 Provisions in Regard to Aircraft
Section 4 Provisions in Regard to Safety
Section 5 Provisions in Regard to Fuel Handling
Section 6 Provisions in Regard to Vehicles
Section 7 Miscellaneous Provisions
Section 8 Minimum Standards

BE IT RESOLVED BY THE TITUSVILLE COCOA AIRPORT AUTHORITY, LOCATED IN THE COUNTY OF BREVARD AND IN THE STATE OF FLORIDA, THAT THE RULES AND REGULATIONS GOVERNING THE SPACE COAST REGIONAL AIRPORT AS ARE HEREINAFTER MORE PARTICULARLY SET OUT BE AND ARE HEREBY APPROVED BY THE TITUSVILLE COCOA AIRPORT AUTHORITY.

SECTION 1

Definitions. The following terms as used in this title shall have the following meanings:

1. **Aircraft** shall mean and include any and all contrivances now or hereafter used for the navigation of or flight in air of space, including but not limited to airplanes, gliders, lighter than-air craft, helicopters, amphibians and seaplanes.
2. **Airport** shall mean Space Coast Regional Airport.
3. **Executive Director** shall mean the Executive Director, Titusville Cocoa Airport Authority, or, in his or her absence, the person acting as Executive Director.
4. **Airport Rules and Regulations** shall mean these Rules and Regulations.
5. **Authority** shall mean the Titusville Cocoa Airport Authority as designated by the Special Acts of Florida, Chapter 63-1143.
6. **Fixed Base Operator** shall mean an operation conducted by a person having the right to furnish all of the following services: Storage and/or tiedown of aircraft, repair and/or maintenance of aircraft, the sale of new and/or used aircraft, the repair sale and/or maintenance of aircraft radios, instruments and/or electronic equipment, aircraft charter, rental and/or lease, and the sale of aviation fuels and other petroleum products.
7. **Flying Club** shall mean a not-for-profit membership corporation organized and/or operating for the purpose of providing flight instruction for its members only and/or providing aircraft for use by its members only.
8. **Fuel Handling** shall mean the transporting, delivering and/or drainage of fuel or fuel waste products.

9. **Fuel Storage Area** shall mean and include those portions of the Airport designated temporarily or permanently by the Executive Director as areas in which gasoline, jet fuel, or any other type of fuel may be stored, including but not limited to gasoline tank farms.

10. **Jet Aircraft** shall mean and include any and all aircraft which are not propeller driven and which accomplish motion entirely as a direct reaction of the thrust of any engine.

11. **Operational Area** shall mean that area intended for aeronautical activity, not leased to anyone for exclusive use and not otherwise defined in this section.

12. **Operator** shall mean any person in control of an aircraft on, or in the vicinity of Space Coast Regional Airport.

13. **Permission** shall mean permission granted by the Executive Director and/or his designated representative.

14. **Person** shall mean any individual, firm, copartnership corporation, association or company (including any assignee, receiver, trustee or similar representative thereof) or the United States of America or any foreign government or any state or political subdivision thereof.

15. **Public Aircraft Parking and Storage Area** shall mean and include those portions of the Airport designated and made available temporarily or permanently by the Executive Director to the public for the parking or storage of aircraft.

16. **Public Landing Area** shall mean and include those portions of the Airport including runways, and taxiways designated and made available by the Executive Director to the public for the landing and taking off of aircraft and other areas between and adjacent to said runways and taxiways.

17. **Public Ramp and Apron Area** shall mean and include those portions of the Airport designated and made available by the Executive Director to the public for loading or unloading of passengers and/or cargo on and from aircraft.

18. **Public Vehicular Parking Area** shall mean and include those portions of the Airport designated and made available by the Executive Director to the public for the parking of vehicles.

19. **Vehicle** shall mean and include automobiles, trucks, buses, motorcycles, horse drawn vehicles, bicycles, push-carts, and any other device in or upon which any person or property is or may be transported, carried or drawn upon land, except aircraft.

SECTION 2

General Provisions

1. The following rules and regulations governing the administration of Space Coast Regional Airport, under the jurisdiction of the Titusville Cocoa Airport Authority are hereby adopted under the authority included in Chapter 63-1143, Special Acts of Florida.

2. Notwithstanding other provisions hereof, any person violating any of these regulations shall be deemed guilty of a misdemeanor and upon conviction thereof be subject to a fine not to exceed $100.00, or by imprisonment to be at the discretion of the court.

3. The Executive Director with the approval of the Authority, shall have the power to make and publish additional regulations and instructions, not inconsistent with the provisions of these rules and regulations, State and Federal law, pertaining to the use and operation of the airports, which rules and regulations, when so made, apprvoved and published, shall have the force and effect of law.

4. If any section, subsection, sentence, clause, provision, or part of this document shall be held invalid for any reason, the remainder of these rules, regulations shall not be affected thereby.

5. All the powers of the police officers of the city or the county, as the case may be, derived from whatever source, are hereby extended to the area embraced within the airports owned, and/or controlled by the Titusville Cocoa Airport Authority, as the same now exist, or as the same may hereafter be established. In addition thereto, the Executive director os herewith vested with police authority and policing responsibility thereon. No commercial aeronautical operation, commercial operation of any kind or any type of operation or activity shall be conducted on the airport unless specifically authorized by the Authority.

6. No commercial aeronautical operation, commercial operation of any kind or any type of operation or activity shall be conducted on the airport unless specifically authorized by the Authority.

7. Any entry upon or use of the Airport or any part thereof whether with express permission or without is conditioned upon compliance with the Airport Rules and Regulations; and entry upon or into the Airport by any person shall be deemed to constitute an agreement by such person to comply with said Rules and Regulations.

8. The privilege of using the Airport and its facilities shall be conditioned on the assumption of full responsibility and risk by the user thereof, all such users shall release and hold harmless and indemnify the Authority, its officers and employees from any liability or loss resulting from such use, as well as from claims of third persons using the Airport.

   The privilege of using the Airport shall be conditioned upon the further condition that those persons, corporations, partnerships, or others desiring to use the same, shall furnish proof of insurance indemnifying the Authority against bodily injury and property damage in such sum as the Authority shall require.

9. No commercial photography shall be permitted on the Airport except with the permission of the Executive Director.

10. Unless otherwise provided in a written agreement with the Authority, no person shall use any area of the Airport for storage of cargo or other property without permission of the Executive Director. In the event of a violation of this provision, the Executive Director shall have authority to order the cargo or other property removed or to cause the same to be removed and stored at the expense of the owner or consignee thereof, without liability

for damage thereto arising from or out of such removal or storage on the part of the Authority, or its Operating Agent or their agents or employees.

11. Unless otherwise provided in an agreement with the Authority no person shall use any area of the Airport other than the public aircraft parking and storage areas for parking and storage of aircraft without permission of the Executive Director. In the event of a violation of this provision, the Executive Director shall have the authority to order the aircraft removed or to cause the same to be removed and stored at the expense of the owner thereof, without liability for damage thereto arising from or out of such removal or storage.

12. No person shall use or occupy an operation area for any purpose whatsoever except a purpose pertaining to the servicing of tenants, concessionaires, airlines, activities associated with airlines, or governmental agencies, or a purpose connected with the maintenance and operation of the Airport.

13. No person, except in an emergency, shall descend by parachute and land or light within or upon the Airport without permission.

14. No person shall disturb, move or remove any aircraft parts or other equipment found on the Airport or as a result of an aircraft accident, until release of the aircraft or parts thereof by the National Transportation Safety Board or the Federal Aviation Administration and the Executive Director.

15. No person shall operate, rent or provide aircraft for hire or for a revenue producing purpose at the Airport without consent of the Authority.

16. Fixed base operations may be conducted at the Airport only pursuant to the terms of a written agreement with the Authority.

17. No flying club shall be conducted on the Airport without the consent in writing of the Executive Director.

18. Any person violating any of the Airport "Rules and Regulations" and Federal Aviation Regulations may be prohibited from using the Airport facilities for such period of time as determined by the Authority.

19. No person shall solicit funds for any purpose and no signs, advertisements or circulars may be posted or distributed at the Airport without the permission of the Executive Director or the Authority.

20. Garbage, refuse and other waste material shall be placed in receptacles provided for such purpose, and no person shall destroy, remove or disturb in any way buildings, signs, equipment, markers or other property on the Airport.

SECTION 3

Provisions in Regard to Aircraft

1. The Executive Director may prohibit aircraft landing, and aircraft taking off at any time he or she deems such landings and takeoffs likely to endanger persons or property.

2. No person shall navigate any aircraft, land aircraft upon, fly aircraft from, or conduct any aircraft operations on or from the Airport otherwise than in conformity with the then current Federal rules and regulations pertaining thereto and applicable local noise abatement regulations if any.

3. No aircraft shall be operated on any surface of the Airport (a) in a careless or negligent manner or in disregard of the rights and safety of others, or without due caution and circumspection; or (b) at a speed or in a manner which endangers, or is likely to endanger person or property; or (c) while the operator is under the influence of liquor, or any narcotic derivative, hallucinogenic or habit forming drug; or (d) when such aircraft is so constructed, equipped or loaded to endanger persons or property.

4. Any person operating or controlling an aircraft on or at the Airport shall at all times comply with the instructions, signals or directions of the Authority and the Executive Director, by whatever means communicated.

5. No motorless aircraft may land or take off at the Airport without permission of the Executive Director.

6. No Ultralight aircraft, as defined in Part 103 of the Federal Aviation Regulations, may land or takeoff at the airport without permission of the Executive Director.

7. No engine shall be started while the aircraft is parked on the Airport or taxied at the Airport where the exhaust or propeller blast may cause injury to persons or do damage to property. If it is impossible to taxi such aircraft without compliance with the above, then the engine must be shut down and the aircraft towed to the desired destination. Aircraft shall not be positioned or taxied so that propeller slipstream or jet engine exhaust is directed at spectators, personnel, hangars, shops or other buildings in such a manner as might cause personal injury, or property damage.

8. Aircraft engines shall be started and warmed up on the Airport only in such places designated for such purposes by the Executive Director. No aircraft engine shall be run up other than in areas authorized for that purpose by the Executive Director.

9. Aircraft landing at the Airport shall make the landing runway available to others by clearing the runway as promptly as possible. All aircraft shall hold their position and/or clear the runway during an emergency unless otherwise directed by the Executive Director.

10. Except for authorized producer(s) approved by the Executive Director, no aircraft engine shall be started or run at the Airport unless a pilot certificated to operate that particular type of aircraft or a certified A and P mechanic qualified to start and operate the engines of that particular type of aircraft shall be attending the controls. The brakes of all aircraft shall be on and set before the engine or engines are started.

11. Except for authorized procedure(s) approved by the Executive Director, no aircraft shall be taxied at the Airport unless a pilot certificated to operate that particular type of aircraft,

A and P mechanic properly qualified to taxi that particular type of aircraft, shall be attending the controls.

12. No person shall park an aircraft or leave the same standing on a public landing area, public ramp and apron area, public parking and storage area or operational area at the Airport except at such places as may be prescribed or designated by the Executive Director for such use. When in such area, every aircraft shall be firmly tied to the ground ropes, and stakes, or otherwise properly secured or attended. The main or nose landing wheels of every aircraft not so tied down shall be chocked with wheel chocks. Helicopters shall have braking devices and/or rotor mooring devices applied to the rotor blades.

13. No aircraft shall be taxied into or out of a hangar under its own power.

14. Every aircraft parked on a public ramp and apron area, with its engine(s) running or preparing to start engine(s) shall have its rotating beacon lighted.

15. All aircraft being taxied or towed or otherwise moved at the Airport shall proceed with running lights on from one half hour before sunset until one half hour after sunrise.

16. The operator of any aircraft involved in any accident causing personal injury or property damage at the airport shall make a prompt and full report of said accident to the Executive Director.

17. Subject to the provisions of Section 2, Subdivision 9, hereof, the operator and owner of aircraft wrecked or disabled at the Airport shall be responsible for the prompt removal of such aircraft and parts thereof as directed by the Executive Director. In the event of failure to comply with such direction, such wrecked or disabled aircraft and parts may be removed by the Executive Director at the owner's or operator's expense and without liability to the Titusville Cocoa Airport Authority for damage or loss which may result in the course of such removal.

18. The Executive Director shall have the authority to deny the use of the Airport to any owner or operator violating any Airport or Federal regulation.

19. All persons operating aircraft in and out of Space Coast Regional Airport will follow the flight patterns established by the Executive Director and the FAA.

20. No aircraft shall be parked, stored, or repaired at the Airport except in the areas designated for such use or as directed by the Executive Director.

21. The owner or operator of an aircraft permanently based, either hangared or tied down shall be permitted to fuel, wash, perform preventative maintenance as described in the Federal Aviation Regulations, paint or otherwise take care of his own aircraft in designated areas, provided areas, provided no attempt is made to perform services for others and further provided that such activities shall be subject to these Rules and Regulations and directions of the Executive Director.

gaseous; or (f) any radioactive article, substance or material; at such time or place or in such manner or condition as to endanger or as to be likely to endanger persons or property.

5. No person shall, at any time, possess, store, keep, handle, use or transport at, in or upon the Airport any weapon or war employing atomic fission or radioactive force.

6. No person shall without prior permission of the Executive Director, store, keep, handle, use or transport at, in or upon the Airport the following radioactive material:

(a) Source material except "unimportant quantities" thereof.

(b) Special nuclear material (as defined in Standard for Protection Against Radiation promulgated by the Atomic Energy Commission, Title 10, Code of Federal Regulation, Part 20) including, but not limited to plutonium, uranium enriched in the isotope 233, or in the isotope 235 or any material artificially enriched by any of the foregoing.

(c) Nuclear reactorfuel elements that are partially expanded or irradiated.

(d) New nuclear reactor fuel elements.

(e) Radioactive waste material.

(f) Any radioactive material moving under an Interstate Commerce Commission special permit or Atomic Energy Commission permit and escort.

Advance notice of at least 24 hours shall be given the Executive Director to permit full investigation and clearance for any operation requiring a waiver of this rule. The permission of the Executive Director may be given to movement of radioactive materials only when such materials are packed, marked, labeled and limited as required by Federal Regulations applying to transportation of explosives and other dangerous articles and do not create any hazard to life or property at the Airport.

7. No person shall tamper with any fire extinguisher equipment at the Airport or use the same for any purpose other than fire fighting or fire prevention. All such equipment shall be inspected in conformity with the National Fire Protection Association regulations. Tags showing the date of the last such inspection shall be left attached to each unit.

8. No person shall store material or equipment, use inflammable liquids or gases, or allow their premises to become in such condition as to violate the fire code of Brevard County in any manner.

SECTION 5

Provisions in Regard to Fuel Handling

1. All aircraft fueling operations shall be in accordance with the National Fire Protection Association current standards for fueling aircraft on the ground and in accordance with the

provisions of U.S. DOT/FAA Advisory Circular No. 150/5230 "Aircraft Fuel Storage, Handling and Dispensing on Airports" and any amendments thereto.

2. All aircraft fuel servicing vehicles shall be designed, constructed and equipped in compliance with National Fire Protection Association Standards for vehicles servicing aircraft with standard grades of aviation fuel.

3. Aircraft shall not be fueled or drained of fuel within a hangar or other enclosure and shall require no less than one twenty (20) pound or larger dry chemical fire extinguisher to be available for use in connection therewith.

4. The product resulting from degassing or draining of fuel shall be placed in gasoline drums or special gasoline containers approved for this purpose by the Executive Director. Before re-use such product shall be checked for identification and compliance with supplier's quality standards. Other disposition shall be in accordance with procedures approved by the Executive Director.

5. Operations of the tenders on the Airport will be in accordance with instructions issued by the Executive Director. All tenders on the Airport shall operate with a rotating amber beacon. The beacon shall be in operation at all times while the tender is in use.

6. Aircraft fuel handling at the Airport shall be conducted at lease 25 feet away from any hangar or other building.

7. During fuel handling in connection with any aircraft, no person shall operate any radio transmitter or receiver in such aircraft or switch electrical appliances on or off in such aircraft nor shall any person do any act or use any material which is likely to cause a spark within 50 feet of such aircraft.

8. No airborne radar equipment shall be operated or ground tested on a public passenger ramp and apron area or any area wherein the directional beam of high intensity radar is within 300 feet or the low intensity beam (less than 50 KW output) is within 100 feet of another aircraft, an aircraft refueling operation, an aircraft refueling truck or aircraft fuel or flammable liquid storage facility.

9. During fuel handling in connection with any aircraft, no passenger or passengers shall be permitted to remain in such aircraft unless a cabin attendant is at the door and a passenger ramp is in position if the same is required for the safe and rapid debarkation of passengers.

Smoking is prohibited in or about such aircraft during fuel handling. Only personnel engaged in the fuel handling or in the maintenance and operation of the aircraft being fueled shall be permitted within 20 feet of the fuel tanks of such aircraft during the fuel handling operations.

10. Persons engaged in aircraft fuel handling shall exercise care to prevent overflow or spillage of fuel or oil. In the event of spillage of fuel or oil, the vendor or tenant responsible for the fuel spillage shall clean the spilled fuel or oil with a dry absorbent cleaning agent and dispose of the agent in a manner in compliance with the National Fire

Protection Association recommendations. In no case shall spilled fuels be allowed to enter the Airport drainage system.

11. No person shall start the engine or engines of any aircraft when there is gasoline or any type of fuel on the ground underneath the aircraft. In the event of spillage of gasoline or any type of fuel, no person shall start an aircraft engine in the area in which the spillage occurred, even though the spillage may have been cleaned until permission has been granted by the Executive Director or his authorized representative for the starting of engines in the area.

12. Automotive and ramp equipment shall be refueled at refueling stations and from dispensing devices approved by the Executive Director.

SECTION 6

Provisions in Regard to Vehicles

1. All traffic in or upon a public vehicular parking area, operational area, fuel storage area, public landing area, public ramp and apron area, or public aircraft parking and storage areas must at all times comply with any lawful order, signal or direction of the Executive Director or any member of the Gwinnett County Police. When such traffic is controlled by traffic lights, signs, mechanical or electrical signals, or pavement markings, such lights, signs, signals and markings shall be obeyed unless a Gwinnett County Policeman directs otherwise.

2. No vehicle shall be operated in or upon a public vehicular parking area, operational area, fuel storage area, public landing area, public ramp and apron area, or public aircraft parking and storage area in a careless or negligent manner or in disregard to the rights and safety of others, or without due caution or circumspection, or at a speed or in a manner which endangers or is likely to endanger persons or property, or while the driver thereof is under the influence of intoxicating liquor, or any narcotic, narcotic derivate, hallucinogenic or habit forming drug. The use of any vehicle which is so constructed, equipped or loaded as to endanger or be likely to endanger persons or property is prohibited. All persons are required to carry liability insurance on all vehicles.

3. No vehicle shall be operated in or upon an operational area, fuel storage area, public landing area, public ramp and apron area, or public aircraft parking and storage area unless: (a) the driver thereof is duly licensed to operate a motor vehicle on the highways of the State of Florida; and (b) such vehicle has been authorized by the Executive Director.

4. No vehicle shall be permitted in or upon an operational area, fuel storage area, public landing area, public ramp and apron area, or upon public aircraft parking and storage area unless it shall be in sound and mechanical order, shall have adequate lights, including an amber rotating beacon or an international orange and white checkered flag not less than three (3) feet square with one (1) foot square.

5. All vehicles except emergency equipment responding to an alarm, shall yield the right of way to any and all aircraft in motion.

6. All vehicles operating in or on the public landing area shall be equipped with a two-way radio receiver and transmitter operational at all times, unless otherwise authorized by the Executive Director. They shall be additionally equipped with a functional rotating beacon in operation or flag. No vehicle shall enter a public landing area without first obtaining clearance from the Executive Director.

7. No person shall park a vehicle or permit the same to remain halted on a public vehicular parking area, operational area, fuel storage area, public landing area, public ramp and apron area, or public aircraft parking and storage area, except at such places and for such periods of time as may be prescribed or permitted by the Executive Director. No aircraft refueling vehicle shall be parked within 50 feet of a building or hangar other than refueling service-shop or within 15 feet of any other aircraft refueling vehicle.

8. No person shall stop or park a vehicle:

   (a) In front of a driveway or Airport access gate;

   (b) In other than leased or authorized areas for the purpose of washing, greasing or repairing a vehicle, except repairs necessitated by an emergency;

   (c) On the roadway side of any stopped or parked vehicle;

   (d) Within 15 feet of a fire hydrant;

   (e) Other than in accordance with restrictions posted on authorized signs.

9. The driver of any vehicle involved in any accident on the Airport which results in injury or death to any person or damage to any property shall immediately stop such vehicle at the scene of the accident and give his name, address and operator's license and registration number to the person injured or to any officer or witness of the injury and then report said accident to the Executive Director forthwith.

   The Executive Director may remove, or cause to be removed, from any area of the Airport any vehicle which is disabled, abandoned, parked in violation of these rules and regulations, or which presents an operational problem to any other area at the Airport, at the operator's expense and without liability to the Titusville Cocoa Airport Authority for any damage which may result in the course of such moving.

10. Customers of Airport tenants shall park in those areas designated by the Executive Director while on the Airport and as indicated by posted signs.

SECTION 7

Miscellaneous Provisions

1. No person shall travel on any portion of the Airport except upon the roads, walks or places provided for the particular class of traffic; nor occupy the roads or walks in such a manner as to hinder or obstruct their proper use.

2. No person shall enter any restricted area of the Airport posted as being closed to the public without permission of the Executive Director.

3. No person shall enter upon the public landing area, public ramp and apron area, of the Airport without permission of the Executive Director or his designated representative.

4. No person shall post, distribute or display signs, advertisements circulars, printed or written matter at the Airport without permission of the Executive Director.

5. No person shall solicit funds, free rides, or any other service for any purpose at the Airport without permission of the Executive Director.

6. No person unless duly authorized by the Executive Director, shall in or upon any area, platform, waiting room, building or any other appurtenance of the Airport:

   (a) Sell, or offer for sale any article of merchandise.

7. No person except authorized peace officers, post office, customs, express and air carrier employees, or members of the Armed Forces of the United States on official duty shall display any firearms at the Airport without permission. The discharge of firearms on the Airport is prohibited except by the above individuals or the Operating Agent in the course of their official duties.

8. No person shall interfere or tamper with any aircraft at the Airport, or start the engine of such aircraft without the consent of the operator or owner.

9. Any person finding any lost article at the Airport shall deliver it to the office of the Executive Director. An article unclaimed by the owner within ninety days will be returned to the finder thereof.

10. Cleaning of or otherwise maintaining aircraft shall be accomplished only in the areas designated for that purpose by the Executive Director.

11. No person shall place, discharge or deposit in any manner, offal, garbage or any refuse in or upon any Airport highway, operational area, fuel storage area, public vehicular parking area, public landing area, public ramp and apron area, or public aircraft parking and storage area, except at such places designated and marked for such purpose and under such conditions as the Executive Director may from time to time prescribe.

12. No person shall enter any public building, arcade, observation platform, public landing area, public ramp and apron area, of the Airport with any animal except a "seeing-eye" dog or one properly confined for shipment. Animals may be permitted in other areas of the Airport if on a leash or confined in such manner as to be under control.

SECTION 8

Regulations Governing Minimum Standards For Airport Aeronautical Activities

1. All aeronautical activities shall be conducted and be governed by the Titusville Cocoa Airport Minimum Standards as amended, which are made a part hereof.

EXHIBIT "B"

- Pro Forma
- Income Assumptions

New Orleans Lakefront Budget 10 YRS

Year	1	2	3	4	5	6	7	8	9	10
Rental Income										
Commercial Rents	$ 1,220,953	$ 1,367,519	$ 1,554,993	$ 1,664,841	$ 1,912,166	$ 2,008,079	$ 2,104,934	$ 2,271,705	$ 2,328,874	$ 2,432,236
Ground Rent	$ 348,883	$ 396,908	$ 449,285	$ 503,746	$ 580,929	$ 620,971	$ 684,016	$ 750,900	$ 821,982	$ 903,875
Leased Ramp Area	$ 6,930	$ 6,930	$ 6,930	$ 6,930	$ 6,930	$ 6,930	$ 6,930	$ 6,930	$ 6,930	$ 6,930
T-Hangers (none)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Tie Downs (none)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal	$ 1,576,766	$ 1,771,358	$ 2,011,208	$ 2,175,517	$ 2,480,025	$ 2,635,981	$ 2,795,880	$ 3,029,535	$ 3,157,785	$ 3,343,041
AIRSIDE INCOME										
Landing Fees	$ -	$ -	$ 103,740	$ 155,610	$ 207,480	$ 207,480	$ 224,078	$ 242,005	$ 261,365	$ 282,274
Fuel Income	$ 720,000	$ 732,000	$ 974,400	$ 1,101,600	$ 1,228,800	$ 1,277,664	$ 1,329,477	$ 1,384,475	$ 1,442,913	$ 1,505,066
Ramp/Ground Charges	$ -	$ -	$ 247,200	$ 368,370	$ 489,554	$ 489,851	$ 514,344	$ 540,061	$ 567,064	$ 595,417
Concessions	$ 1,008	$ 1,058	$ 237,166	$ 355,249	$ 473,335	$ 473,396	$ 497,066	$ 521,920	$ 548,016	$ 575,416
Movies, Special Events, Misc	$ 42,500	$ 63,750	$ 85,000	$ 89,250	$ 93,713	$ 98,398	$ 103,318	$ 108,484	$ 113,908	$ 119,604
Auto Parking	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transient Aircraft Parking	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal	$ 763,508	$ 796,808	$ 1,647,506	$ 2,070,079	$ 2,492,881	$ 2,546,790	$ 2,668,284	$ 2,796,944	$ 2,933,266	$ 3,077,778
TOTAL AIRSIDE INCOME	$ 2,340,274	$ 2,568,166	$ 3,658,714	$ 4,245,596	$ 4,972,906	$ 5,182,771	$ 5,464,164	$ 5,826,480	$ 6,091,051	$ 6,420,819

Year	1	2	3	4	5	6	7	8	9	10
OPERATING EXPENSES										
Salaries and Benefits	$ 1,007,820	$ 1,058,211	$ 1,111,122	$ 1,166,678	$ 1,225,012	$ 1,286,262	$ 1,350,575	$ 1,418,104	$ 1,489,009	$ 1,563,460
General and Administrative	$ 153,279	$ 156,861	$ 125,317	$ 128,450	$ 131,662	$ 134,953	$ 138,327	$ 141,785	$ 145,330	$ 148,963
Operations/Safety	$ 32,229	$ 33,035	$ 33,861	$ 34,707	$ 35,575	$ 36,464	$ 37,376	$ 38,310	$ 39,268	$ 40,250
Maintenance	$ 202,070	$ 207,122	$ 212,300	$ 217,607	$ 223,047	$ 228,624	$ 234,339	$ 240,198	$ 246,203	$ 252,358
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ 169,000	$ 169,000	$ 169,000	$ 169,000	$ 169,000	$ 169,000	$ 169,000	$ 169,000	$ 169,000	$ 169,000
Utilities	$ 336,000	$ 344,400	$ 353,010	$ 361,835	$ 370,881	$ 380,153	$ 389,657	$ 399,398	$ 409,383	$ 419,618
Capital Reserve	$ 46,805	$ 51,383	$ 73,174	$ 84,912	$ 99,456	$ 103,655	$ 109,283	$ 116,530	$ 121,821	$ 128,416
Other	$ 175,521	$ 192,612	$ 274,404	$ 318,420	$ 372,968	$ 388,708	$ 409,812	$ 436,986	$ 456,829	$ 481,561
TOTAL AIRSIDE EXPENSES	$ 2,122,724	$ 2,212,604	$ 2,352,187	$ 2,481,609	$ 2,627,603	$ 2,727,820	$ 2,838,370	$ 2,960,311	$ 3,076,843	$ 3,203,626

Year	1	2	3	4	5	6	7	8	9	10
RENT EXPENSES										
Base Rent	$ 300,000	$ 300,000	$ 300,000	$ 309,000	$ 318,000	$ 327,000	$ 336,000	$ 345,000	$ 354,000	$ 363,000
Tier 1 rent	$ -	$ -	$ -	$ 30,900	$ 31,800	$ 32,700	$ 33,600	$ 34,500	$ 35,400	$ 36,300
Tier 2 Rent	$ -	$ -	$ -	$ 346,679	$ 537,872	$ 573,631	$ 631,249	$ 712,944	$ 765,315	$ 837,246
TOTAL RENT EXPENSES	$ 300,001	$ 300,002	$ 300,003	$ 686,583	$ 887,677	$ 933,537	$ 1,000,856	$ 1,092,452	$ 1,154,724	$ 1,236,556

Net Operating Income	**$ (82,451)**	**$ 55,560**	**$ 1,006,524**	**$ 1,077,404**	**$ 1,457,627**	**$ 1,521,414**	**$ 1,624,938**	**$ 1,773,717**	**$ 1,859,484**	**$ 1,980,637**

INCOME ASSUMPTIONS

1 Landing fees will be charged to commercial operations and transient aircraft not buying fuel per exisitng OLD resolution. Future rate revisions will be limited to CPI or based on a historical costs analysis in compliance with FAA grant assurances.

2 The stabilized income projections are based on one charter operation daily, and three scheduled charter operations a day by 737 typical acft.

3 Gate Fees below apply to large aircraft. Regional and smaller aircraft utilize smaller area and do not have the capacity to cover these ramp charges. If not negotiated in lease with a prospective charter operator, the gate fee will be $30 @ per turnaround.

4 The following are the rates and charges per resolutions 3-011889; 9-122095; 10-122095;

5 Growth Rates utilized are from FAA Aviation Forecasts FY 1998-2009 issued March 1998. These represent growth with no increase in business development activity and therefore represent conservative lowest expected results. CPI increases are estimated to be 3% annually.

Items		Fee	Items		Fee
Fuel flow fee*	$	0.20	Ramp Observer Day per hour	$	20.00
Landing Fees (min $6, waived for fuel purchase) per 1,000 lbs.	$	1.00	Ramp Observer Night/wkend per hour	$	40.00
Unimproved Land rates per yr	$	0.35	Rental Car percentage		10%
Improved Land rates per yr	$	0.55	Baggage Cart/Tow Bar/hr	$	5.00
Hangar Deck	$	2.02	Airstairs/hr	$	25.00
Office rent to be increased from existing 2.27 to @ $8	$	8.00	Lav cart per hr	$	10.00
Gate Fee			Water cart/hr	$	10.00
Enplane	$	200.00	Tug/Belt Loader	$	25.00
Deplane	$	150.00	Power unit	$	50.00
QTA (1 1/2 hours max)	$	300.00	Air Start cart/ hr	$	15.00

6 The following are the sizing, quantities and mix at full lease up:

Items	Amount		Items	Amount
			Ramp Observer Day per hour	$20
			Ramp Observer Night/wknd per hour	$40
Deplaned passenger yield @ 65% Schedul	7,956	10,260	Rental Car percentage	10%
Deplaned passenger yield @ 80% Chartere	2,304	123,120	Baggage Cart/Tow Bar/hr	5
Monthly enplanement ops	96		Airstairs/hr	$25
Monthly deplane ops	96		Lav cart per hr	$10
QTA Regional	120		Water cart/hr	$10
Air Charter upload = 2,000gals flight	192,000		Tug/Belt Loader	25
Current fuel volume @1.75 m annual	145,833		Power unit	$ 50
			Air Start cart/ hr	15
Average weight Large planes lbs	125,000			
Average weight regional planes lbs	33,000			
Average weight small planes lbs	7,000			

7 Year 6 Landing Fee Analysis (4 week prd.)

	# Landings	Landing	Total Fees
Large Aircraft	96	$ 125.00	$ 156,000
Regional Jet Aircraft	120	$ 33.00	$ 51,480
General Aviation Aircraft	5828		$ -
Total	6044	Total	$ 207,480
Annual	72528		
Take offs	72528		
Total Operation	145056		

*Maintain current rate of $.20

	Passengers	A/C ops
Annual YR 6	266760	2808
Annual YR 11	306113	2873
Annual YR 18	363566	2939
Annual YR 21	431803	3006
Annual YR 26	512846	3075

EXHIBIT "C"

TRAFFIC FORECAST

	Itinerant Operations				Local Operations				
Year	Air Carrier/Air Taxi	General Aviation	Military	Total Itinerant	Civilian	Military	Total Local	Tower Closed	Year Total
1997	4,162	86,987	7,171	*98,320*	75,239	2,397	*77,636*	0	**175,956**
1998	4,136	77,976	6,169	*88,281*	83,860	3,057	*86,917*	0	**175,198**
1999	4,681	81,390	5,998	*92,069*	89,654	2,370	*92,024*	2,447	**186,540**
2000	5,522	71,841	5,783	*83,146*	55,622	2,220	*57,842*	2,390	**143,378**
2001	6,195	63,893	5,451	*75,539*	45,544	2,569	*48,113*	2,124	**125,776**
*2002	7,942	64,140	5,642	*77,724*	38,122	2,229	*40,351*	2,009	**120,084**
*2003	8,101	65,297	5,657	*79,055*	42,670	2,447	*45,117*	2,108	**126,280**
*2004	8,263	66,603	5,770	*80,636*	43,523	2,496	*46,019*	2,150	**128,805**
*2005	8,429	67,935	5,886	*82,249*	44,394	2,546	*46,939*	2,193	**131,382**
*2006	10,539	69,294	6,004	*85,836*	45,282	2,597	*47,878*	2,237	**135,951**
**2007	10,802	71,372	6,094	*88,268*	47,093	2,635	*49,728*	2,270	**140,267**
**2008	11,073	73,513	6,185	*90,771*	48,977	2,675	*51,652*	2,305	**144,727**
**2009	11,349	75,719	6,278	*93,346*	50,936	2,715	*53,651*	2,339	**149,336**
**2010	11,633	77,990	6,372	*95,996*	52,973	2,756	*55,729*	2,374	**154,099**
**2011	11,924	80,330	6,468	*98,722*	55,092	2,797	*57,889*	2,410	**159,021**
**2012	12,222	82,740	6,565	*101,527*	57,296	2,839	*60,135*	2,446	**164,107**
*Projected									
** Increases	2.50%	3.00%	1.50%		4.00%	1.50%		1.50%	

EXHIBIT "D"

LETTER OF NO OBJECTION
Air Charter Associates, Inc.

AIR CHARTER ASSOCIATES, INC.
P.O. Box 840097
New Orleans, Louisiana 70184

September 10, 2001

New Orleans Levee District
New Orleans Lakefront Airport
6001 Stars and Stripes Blvd.,
Suite 101, Terminal Bldg.
New Orleans, LA. 70126-8008

Re: Airport Privatization

Gentlemen:

Air Charter Associates, Inc./LifeFlight New Orleans does not anticipate any adverse effect on its operations as a result of the proposed privatization of the Airport. We, therefore, offer no objection to said privatization.

Very truly yours,

Ms. Londa M. McCullough
President/CEO

Telephone: 504.243.9800 or 800.254.3681 Facsimile: 504.248.2983

EXHIBIT "E"

LOUISIANA AIR NATIONAL GUARD LEASE

LEASE INFORMATION SHEET

NAME OF BUSINESS	Louisiana Army National Guard
CONTACT PERSON	Major Paul D. Alford 14 Jefferson Barracks Home Ph.: 279-8900 Busi. Ph.: 241-2374
BASIC FUNCTION OF BUSINESS	Military Aviation
DATE OF ORIGINAL OCCUPANCY	December 9, 1940
TERMINATION DATE OF BASIC LEASE	December 8, 2039
NUMBER OF AMENDMENTS, AGREEMENTS	Airport Maintenance Agreement, N.O.D.A. 16-104-NG-60 dated December 7, 1953 Cancelled December 2, 1957

Airport Security Foot Patrol Check Agreement

Not dated but effective August 7, 1972.

Letter of Agreement, 13 of September 1976
Air National Guard Rotary Wing Aircraft Departures.

INSURANCE REQUIREMENTS	None
RENTAL	$1.00 per year, December 9, 1940 Agreement.

LESSEE RESPONSIBILITIES (AND INFORMATION)

1. Title of all structures erected upon the property will remain with lessee.
2. Upon termination of agreement Lessee may remove all structures and restore property to original condition.
3. Lessee permitted to use present and future runways for military aviation purposes.

LESSOR RESPONSIBILITIES (AND INFORMATION)

1. Style and architecture of all new structures subject to approval of Lessor.
2. Lessor may require Lessee to readjust flying schedules when National Guard flying schedules interfere with commercial air line schedules.

CANCELLATION	No stipulations listed
SUBLEASES	None recorded

LOCATION:	NEW ORLEANS LAKEFRONT AIRPORT
NAME:	STATE OF LOUISIANA Louisiana National Guard
ADDRESS:	Building 101, Lakefront Airport New Orleans, Louisiana 70126
TELEPHONE:	241 - 2374
CONTACT PERSON:	Major Louis May / Major P. Alford
LEASE TERMS:	December 9, 1940, unto 2039. No CPI adjustment clause, no amendments Maintenance Agreement signed December 7, 1953, Security Agreement signed August 7, 1972.
RENTAL:	$ 1.00 per annum. Fee for Security Services: $14,900.00 per annum, payable monthly at $1,241.67. Trash and Waste Collection: $1,066.08 ann., $88.84 mo.
SQUARE FOOTAGE:	6,6 acres.
COMMENTS:	

The following is a list of telephone (home) numbers of National Guard personnel who should be contacted for the reasons given. Call only the first number, then if unable to contact call the second and so on until proper notification is given. Several numbers are listed in each category, however, all need not be called. Only call the first, and if call is acknowledged no other calls need be made.

Giarrusso Alarm going off in Building 101:

Upstairs: North Side
Sgt. Toney - 722-1439
Capt. May - 241-6139
Sgt. Wiggins-279-9609

Downstairs: South Side
Sgt. Warren - 279-4701
Capt. LaLumier - Slidell - 643-4724

Break-in or evidence of such - Fire, etc.
Capt. Alford - 279-8900
Capt. May - 241-6139
CW3 Reeb - 282-0515
Sgt. Dawson - 288-8603

Unlocked Gates:
CW3 Reeb - 282-0515
Sgt. Grumblatt- 241-9587
Sgt. Brondum - 945-7216

If unable to contact any of the three listed above call:
Capt. May - 241-6139
Capt. Alford-279-8900

Airport, Building 101:

Louisiana National Guard:

Lease signed December 9, 1940, valid for 99 years, i.e. to 2039.

Maintenance Agreement signed 7 December, 1953

Security Agreement signed August 7, 1972.

AGREEMENT OF APRIL 1, 1947

This agreement entered into by and between the Board of Levee Commissioners of the Orleans Levee District and the Orleans Airport Commission, represented by their respective agents acting by virtue of appropriate resolutions which are attached hereto and made a part hereof, hereinafter called the Lessors, and the Adjutant General of Louisiana, acting for and on behalf of the Department of Military Affairs of Louisiana, hereafter called the Lessee.

WITNESSETH:

1. Written notice having been received by the Lessors from the Governor and the Adjutant General of Louisiana, respectively, that the War Department has allocated to the National Guard of Louisiana an observation squadron for immediate organization and that funds are available from the United States and the State of Louisiana to construct the necessary facilities, the Lessors herein hereby lease to the Lessee the following described property situated in Orleans Parish, State of Louisiana:

> "A portion of ground within the limits of the New Orleans Airport described as follows:
>
> Commencing at point "A" said point "A" being 572.2 feet east of the southeast corner of the Harry Williams Hangar No. 2 and 273.35 feet north of the face of the north curb of the 26 foot road, proceeding thence 5.0 feet in an easterly direction to point "B", thence in a southerly direction 273.7 feet to point "C", said point "C" being on the north edge of the airport road, thence 818.2 feet in a westerly direction to point "D", said point "D" being on the north edge of the airport road, thence 445.3 feet in a northerly direction to point "A", the point of commencement or beginning. The area of the portion of ground is 6.6 acres and is shown on a sketch signed by A.L. Lillos, Chief Engineer and dated September 30, 1940, and revised on October 28, 1940, which sketch is attached hereto and made a part hereof."

2. This agreement is subject to the following conditions:

(1) The term of this agreement shall be for a period of ninety-nine (99) years from the date hereof.

(2) The annual consideration shall be one ($1.00) dollar, first payment to be made upon the execution of this agreement and subsequent annual payments to be made by the Adjutant General of Louisiana to the President of the Board of Levee Commissioners of the Orleans Levee District on or before each anniversary of the execution of this agreement.

(3) The Lessors herein covenant and agree to permit the Department of Military Affairs of Louisiana or any Agency or unit thereof to erect upon the property described herein hangars, shops, supply warehouses, armories, garages, administration buildings and other structures as may be required by the

thereof.

(4) Title to all structures erected upon the property described herein shall remain in the Lessee. Upon the termination or expiration of this agreement Lessee reserves the right to remove all structures and shall restore the property to its original condition as near as may be under the circumstances then existing.

(5) The style and architecture of all structures to be erected shall be subject to the approval of the Lessors.

(6) The Lessors further covenant and agree to permit the Military Department of the State of Louisiana or any agency or unit thereof to use the runways now existing or hereafter established at the New Orleans Airport for such military aviation purposes as may be required by the said Military Department of Louisiana, its agencies or units, subject to the limitations described hereafter.

(7) In the event the use of the property, described herein, by the Military Department of the State of Louisiana at any time causes congestion of air traffic at the New Orleans Airport and thus seriously interferes with the operation of commercial air lines, the Lessors reserve the right to require the Department of Military Affairs, or any agency or unit thereof, to readjust its flying schedules and flying operations, including the use of runway schedules and landing facilities, so as not unduly to interfere with and endanger commercial operations at the said Airport.

WITNESS OUR HANDS AND OFFICIAL SEALS this 7th day of [illegible] 1940.

BOARD OF LEVEE COMMISSIONERS OF THE ORLEANS LEVEE DISTRICT:

(Title) PRESIDENT.

ORLEANS AIRPORT COMMISSION:

(Title) CHAIRMAN.

(LESSORS)

ADJUTANT GENERAL OF LOUISIANA:

By: ADJUTANT GENERAL

FOR THE DEPARTMENT OF MILITARY AFFAIRS OF LOUISIANA.

(LESSEE)

R E S O L U T I O N

WHEREAS, the National Guard of the State of Louisiana is to be allocated a National Guard Air Squadron by the War Department of the United States; and

WHEREAS, the State of Louisiana, Orleans Parish and the City of New Orleans must provide airport facilities such as runways and space for necessary buildings if the Air Squadron is to be located in New Orleans; and

WHEREAS, the Orleans Airport Commission, under date of September 30th, 1940, adopted a resolution authorizing and granting to the National Guard of the State of Louisiana a ninety-nine (99) year lease, at an annual rental of One Dollar ($1.00), covering space at New Orleans Airport for hangars, shops, supply warehouses, armories, garages, administration buildings and other necessary structures, all to be constructed and located on the eastern part of the airport as hereinafter described; and

WHEREAS it now becomes necessary for the Board of Levee Commissioners of the Orleans Levee District to intervene in order to perfect said lease to the said National Guard;

THEREFORE, BE IT RESOLVED by the Board of Levee Commissioners of the Orleans Levee District in Regular meeting assembled on this 15th day of October, A. D. 1940, that if the War Department of the United States allocates an Air Squadron to the National Guard of the State of Louisiana, the said Board of Levee Commissioners of the Orleans Levee District does hereby obligate itself, upon notification by the Governor of Louisiana and the Adjutant General of the National Guard of the State of Louisiana, that the facilities of the New Orleans Airport are required for such military aviation purposes, to perform the following matters:

1. That the Board of Levee Commissioners of the Orleans Levee District will permit the use of the runways and certain areas to be designated by the said Board and/or the Orleans Airport Commission of the New Orleans Airport for such military aviation purposes as may be required by the National Guard of the State of Louisiana, for a period of ninety-nine (99) years, at an annual rental of One Dollar ($1.00) per year.

2. That the Board of Levee Commissioners of the Orleans Levee District and/or the Orleans Airport Commission will lease, for a period of ninety-nine (99) years to the Department of Military Affairs of the State of Louisiana, space on the New Orleans Airport for hangars, shops, supply warehouses, armories, garages, administration buildings and other necessary structures, all to be constructed and located on the eastern area of the Airport as per sketch prepared by A. L. Willoz, Chief Engineer, bearing File No. LD-1893, viz:

Commencing at point "A" said point "A" being 590.2 feet east of the Southeast corner of the Lindbergh Hangar and 3.35 feet North of the face of the North curb of the 26-foot road, proceeding thence 870 feet in a northerly direction to point "B", thence in an easterly direction 800 feet to point "C", thence 870 feet in a southerly direction to point "D", said point being 3.35 feet north of the face of the north curb of the 26-foot road, thence in a westerly direction to point "A" the point of commencement or beginning. The area of this portion of ground is 4.93 acres, and is shown on sketch signed by A. L. Willoz, Chief Engineer, and dated September 30, 1940;

said area being located in Zone 3 of the Lake Front Development and is included in said rental. The style and architecture of all buildings to be erected shall be subject to the approval of the Orleans Airport Commission and/or the Board of Levee Commissioners of the Orleans Levee District;

3. In the event the use of the New Orleans Airport by the National Guard Air Squadron should, at any time in the future, cause congestion of air traffic at the New Orleans Airport and this seriously interfere with the operation of the Commercial air lines, the Orleans Airport Commission and/or the Board of Levee Commissioners of the Orleans Levee District reserves the right to require the Louisiana National Guard Air Squadron to re-adjust its flying schedules and flying operations, including the use of runways, schedules, and land facilities, so as not to unduly interfere with or endanger said commercial operations at said airport;

BE IT FURTHER RESOLVED, that in event the aforesaid proposal is accepted by the National Guard of the State of Louisiana, the President, Gervais F. Favrot, Jr., in his absence, inability or incapacity to act, then the President Pro-Tempore, A. W. Lemarie, be and he is hereby authorized and directed to execute and deliver, for and on behalf of the Board of Levee Commissioners of the Orleans Levee District, all leases and other documents which may be necessary to carry into effect the conditions of this resolution.

I hereby certify the above and foregoing to be a true and correct copy of resolution unanimously adopted at a Regular Monthly Meeting of the Board of Levee Commissioners of the Orleans Levee District, held on Tuesday, October 15th, 1940, at 11:00 o'clock A. M. in the Board Room, 4217 Administration Building, New Orleans Airport, New Orleans, Louisiana.

W. M. [illegible]

S E C R E T A R Y.

WHEREAS a resolution was adopted by this Board at its regular meeting convened on Tuesday, October 15, 1940, granting unto the Department of Military Affairs of Louisiana a lease as provided for in said resolution, covering particularly, among other things, a portion of ground within the limits of the New Orleans Airport, the exact description of which land is contained in sub-paragraph Numbered 2; and

WHEREAS it is necessary to change the description of the said portion of ground, in order to meet the requirements of the Department of Military Affairs of Louisiana;

THEREFORE, BE IT RESOLVED that the description of the property proposed to be leased to the Department of Military Affairs of Louisiana, as specifically shown in sub-paragraph Numbered 2 of the aforementioned resolution, be and the same is hereby changed and amended to read as follows:

> A portion of ground within the limits of the New Orleans Airport described as follows:
>
> Commencing at point "A", said point "A" being 592.2 feet east of the southeast corner of the Harry P. Williams Hangar No. 2 and 273.35 feet North of the face of the North curb of the 26 foot road, proceeding thence 800 feet in an easterly direction to point "B", thence in a southerly direction 273.9 feet to point "C", said point "C" being on the north edge of the airport road, thence 818.2 feet in a westerly direction to point "D", said point "D" being on the north edge of the airport road, thence 445.5 feet in a northerly direction to point "A" the point of commencement or beginning. The area of the portion of ground is 5.6 acres and is shown on a sketch signed by A. L. Miller, Chief Engineer and dated September 30, 1940, and revised on October 28th, 1940.

STATE OF LOUISIANA)
)
PARISH OF ORLEANS)
)
CITY OF NEW ORLEANS)

I, J. M. Dufrocq, Secretary of the Board of Levee Commissioners of the Orleans Levee District, do hereby certify that the above and foregoing is a true and correct copy of resolution from the minutes of the Executive Committee Meeting of the said Board held on the 5th day of December, A. D. 1940, said resolution having been duly passed and adopted at said meeting, as the same appears among the official records of my said office.

J. M. Dufrocq,
SECRETARY
BOARD OF LEVEE COMMISSIONERS OF
THE ORLEANS LEVEE DISTRICT.

EXHIBIT " F "

ADJUSTED FOR INFLATION DEFINITION

ADJUSTED FOR INFLATION. The term "Adjusted for Inflation" shall mean adjusted by the percentage increase, if any, in the Consumer Price Index (hereinafter defined) for an adjustment period commencing on the Commencement Date and ending on the date of the particular event or for such other period that may be provided or if no particular event or period is provided the adjustment period shall be annually. "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the U.S. Department of Labor, All Items (1982-1984=100), or any successor index thereto, appropriately adjusted; provided that if there shall be no successor index, Public Sponsor shall select a substitute index and appropriate adjustment thereto which shall be subject to Private Operator's approval, which approval shall not be unreasonably withheld, conditioned or delayed; and further provided that if Private Operator shall not grant such approval and Public Sponsor and Private Operator dispute the appropriate substitute or adjustment thereto, Public Sponsor's selected substitute index and adjustment shall be applied to this Agreement until such dispute is resolved, at which time, any payments made under this Agreement during the period of dispute shall be appropriately adjusted.